APPRAISAL COVER SHEET

TYPE OF REPORT:	Appraisal for Market Value
ASSESSOR PARCEL NO.:	Portion of 304-34-926
ADOT PARCEL NO.:	L-C-177
OWNER NAME:	State of Arizona Department of Transportation, ADOT.
NAME & LOCATION OF PROPERTY:	Vacant land consisting of approximately 3.33 acres or 144,970 square feet according to the client. The property is located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212.
PROJECT:	H8915 01R
HIGHWAY:	Gateway Freeway
SECTION:	Ellsworth Road – Ironwood Drive
DATE OF APPRAISAL REPORT:	January 16, 2026
EFFECTIVE DATE OF VALUE:	January 13, 2026

APPRAISERS:

STEVEN R. COLE, MAI, SRA, AI-GRS
CERTIFIED GENERAL REAL ESTATE APPRAISER #30130

JOHN MEDLEY
CERTIFIED GENERAL REAL ESTATE APPRAISER #1049989

SUBJECT AERIAL IMAGE

The Subject's Red Boundary Lines Are an Approximation

SOUTHWEST
APPRAISAL ASSOCIATES
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P.O. Box 16156
Tucson, AZ 85732

January 16, 2026

Mr. Jim Walcutt
Arizona Department of Transportation
205 South 17th Avenue, Room 331
Mail Drop #612E
Phoenix, AZ 85007

REF: Appraisal of ADOT Parcel L-C-177 located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212. The property is a portion of Maricopa County Assessor's Parcel 304-34-926.
Appraisers' File No.: 25-381-L

Mr. Walcutt,

At your request, we have provided our market value opinion for the subject property. The subject property consists of 3.33 acres of vacant land located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212.

The subject property is currently listed for sale on the open market. The property was originally listed for sale on March 10, 2025 for $1,050,000. Due to the lack on interested buyers, the list price was reduced to $899,000 on July 24, 2025 and reduced again on September 9, 2025 to its current list price of $808,000. According to Robert Jefferey, listing agent, there has been minimal interest to purchase the subject. This is due to the subject's narrow site shape which is restrictive to its development. The subject's listing history and development restrictive shape is considered in our opinion of market value.

The subject property is currently zoned AG, Agricultural in the City of Mesa. As outlined in the Zoning section of this appraisal, it is likely that the subject property would receive approval to be rezoned to NC, Neighborhood Commercial. Our opinion of market value is based on the subject being rezoned to a commercial use.

The subject property is located in a growing market area with several new residential, industrial, and commercial developments in the immediate area. While the subject's site shape is restrictive to intensive development, the site could be developed with a low-intensity commercial use. If priced appropriately, a market participant would purchase the development restricted subject property for a commercial use due to the expansive real estate growth in the immediate area.

The purpose of this appraisal is to provide market value opinion for the subject parcel, as of January 13, 2026, the effective date of value, pursuant to Arizona Revised Statute 28-7091, as follows:

> *"'Market Value' means the most probable price estimated in terms of cash in United States dollars or comparable market financial arrangements which the property would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable."*[1]

The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. No other use or users are intended, and any unintended use may be misleading. The intended use of the appraisal is to utilize the market value estimate to assist in decisions regarding the disposition of the property identified herein.

This appraisal report is intended to comply with the Arizona Department of Transportation Appraisal Standards and Specifications. Further, this is an appraisal report that is intended to comply with the reporting requirements set forth in Standards rule 2-2(a) of the *Uniform Standards of Professional Appraisal Practice* (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation. The Sales Comparison Approach is utilized to support our market value opinion. Since this valuation is for land value only, the Cost and Income Approaches are omitted.

This report or any portion thereof is for the exclusive use of the client and is not intended to be used, sold, transferred, given, or relied on by any other person other than the client without the prior, expressed written permission of the author, as set forth within the Contingent and Limiting Conditions contained in this report.

Based upon the data, analyses, opinion and conclusions contained in this report, our market value opinion, as of January 13, 2026, is as follows:

"AS IS" MARKET VALUE OPINION
FOR THE SUBJECT, ROUNDED...$700,000

This Equates to $210,210 Per Acre or
$4.83 Per Square Foot

The value opinion provided herein is subject to the following Extraordinary Assumptions and Limiting Conditions, and appraiser certifications.

<u>Extraordinary Assumption:</u>
Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), the definition of Extraordinary Assumption is as follows:

"An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact

[1] Arizona Revised Statute 28-7091

otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis”.[2]

This appraisal report is based on the following extraordinary assumptions:

1) *No archaeological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known archaeological significance on the disposal parcel.*
2) *No geological survey was provided to the appraisers. It is an extraordinary assumption of this appraisal that there is no known geological significance on the disposal parcel.*
3) *The disposal parcel was inspected by the appraisers. No evidence of environmental risks or hazardous conditions was observed. It is an extraordinary assumption in this appraisal that there are no known environmental risks or hazardous conditions on the disposal parcel.*

Hypothetical Condition:

Pursuant to the Uniform Standards of Professional Appraisal Practice (USPAP), hypothetical condition is defined as follows:

“A hypothetical condition is a condition directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.” [3]

There are no hypothetical conditions that apply to this appraisal.

The use of these extraordinary assumptions and hypothetical conditions might have affected the assignment results.

We hereby certify that to the best of our knowledge and belief, all statements and opinions contained in this appraisal report are correct. This transmittal letter is not valid for any purpose unless accompanied by the appraisal referred to herein.

Respectfully submitted,

Steven R. Cole, MAI, SRA, AI-GRS
Certified General Real
Estate Appraiser # 30130

John E. Medley
Certified General Real
Estate Appraiser # 1049989

[2] *Uniform Standards of Professional Appraisal Practice, 2024 Ed.*, Appraisal Foundation
[3] *Uniform Standards of Professional Appraisal Practice, 2024 Ed.*, Appraisal Foundation

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ASSUMPTIONS AND LIMITING CONDITIONS

The certification of the Appraisers appearing in the report is subject to the following conditions, and to such other specific and limiting conditions as are set forth by the Appraisers in the report.

This report is being prepared for our clients. This report or any portion thereof is for the exclusive use of the clients and is not intended to be used, sold, transferred, given or relied on by any other person than the clients without the prior, expressed written permission of the author, as set forth within the Limiting Conditions contained in this report.

The Appraisers assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraisers render any opinion as to the title, which is assumed to be good and marketable. A Right of Way Disposal Report has been furnished to the Appraisers. The property is appraised as though under responsible ownership, competent management and adequate marketing typical for that type of property. The legal description, if provided to me, is assumed to be correct. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

The Appraisers have made no survey of the property. Any sketch or map in the report may show approximate dimensions and is included for illustrative purposes only. It is the responsibility of a certified engineer, architect or registered surveyor to show by a site plan the exact location of the subject property or any improvements or any proposed improvements thereon, or the exact measurements or calculations of estimated area of the site. In the absence of such a survey, the Appraisers may have utilized Tax Assessor’s maps or other maps which may not represent the exact measurements of the subject property or other comparable information utilized to determine the value of the subject property. Any variation in dimensions or calculations based thereon may alter the estimates of value contained within the report.

When possible, the Appraisers has relied upon building measurements provided by the client, owner, or agents of these parties. In their absence, the appraisers have relied upon their own measurements of the subject improvements. However, there are some factors that may limit our ability to obtain accurate measurements. Professional building area measurements are beyond the scope of this appraisal assignment.

In estimating the opinion of value of the subject property and in analyzing comparable information, the Appraisers have relied upon information from public and private planning agencies as to the potential use of land or improved properties. This information may include, but is not limited to, Area Plans, Neighborhood Plans, Zoning Plans and Ordinances, Transportation Plans and the like. To the extent that these plans may change, the value opinions of this report may also change.

The dates of value to which the opinions expressed in this report apply are set forth in this report. The Appraisers assumes no responsibility for the economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors. These forecasts are, therefore, subject to changes with future conditions.

In the absence of a professional Engineer's Feasibility Study, information regarding the existence of utilities is made only from a visual inspection of the site. The Appraisers assumes no responsibility for the actual availability of utilities, their capacity or any other problem which may result from a condition involving utilities. The respective companies, governmental agencies or entities should be contacted directly by concerned persons.

The Appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question unless prior arrangements have been made and confirmed in writing.

Any allocation of the valuation in the appraisal report between land and improvements applies only under the existing program of utilization. The separate valuation for land and improvements must not be used in conjunction with any appraisal and are invalid if so used.

The Appraisers assumes that there are no hidden or unapparent conditions of the property, subsoil, potential flooding hazards, hydrology or structures which would render it more or less valuable. The Appraisers assume no responsibility for such conditions or for engineering which might be required to discover such factors.

Unless otherwise stated within this report, the existence of hazardous materials, which may or may not be present within or on the property, will not be considered by the appraiser. The Appraisers assumes, and the clients warrant, that no such materials adversely affect the utility, usability or development potential of the property to the best of their knowledge. The Appraisers are not qualified to detect such substances. The value opinion has been predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility will be assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The clients are urged to retain an expert in this field, if desired.

The presence of barriers to the disabled, which may or may not be present within or on the subject property, will not be considered by us. We have not performed a compliance survey to determine if it is in conformance with the A.D.A (Americans with Disabilities Act). The Appraisers assumes, and the clients warrant, that no such barriers adversely affect the utility, usability, or development potential of the property to the best of their knowledge. The Appraisers are not qualified to analyze such barriers. The value opinion has been predicated on the assumption that there are no such barriers on or in the property that would cause a loss in value. The clients are urged to retain an expert in this field, if desired.

Information, estimates and opinions furnished to the Appraisers and contained in the report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the Appraisers can be attributed to the Appraisers.

Disclosures of the contents of the report by the Appraisers are governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraisers are affiliated.

On all reports which are undertaken subject to satisfactory completion of, alterations of or repairs to improvements, the report and value conclusions contained in it are contingent upon completion of the improvements or of the repairs thereto or alterations thereof in a workmanlike manner and consistent with the specifications presented to the Appraisers.

Prospective value opinions are intended to reflect the current expectations and perceptions of market participants. They should not be judged on whether specific items in the forecasts are realized. The Appraisers cannot be held responsible for unforeseeable events that alter market conditions after the effective date of the report. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is likely that some assumptions will not materialize and that unanticipated events may occur that will affect actual performance.

The appraisers has not made a specific survey of the subject property to determine whether or not it has any plant or wildlife which is identified as an endangered or threatened species by the U.S. Fish and Wildlife Service. While not observed and while no information was provided to confirm or deny the existence of any endangered or threatened species on the subject property (unless expressly stated herein), it is emphasized that the appraisers are not qualified to detect or analyze such plants and wildlife. Any such conclusions must be based upon the professional expertise of persons qualified to make such judgments. Thus, any person or other entity with an interest in the subject property is urged to retain an expert if so desired.

Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraiser, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval from Southwest Appraisal Associates' President.

This appraisal was prepared for the sole and exclusive use of the client. Any party who is not the clients or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Southwest Appraisal Associates. We claim no expertise in areas such as, legal description survey, structural, or environmental, engineering mechanical or electrical systems and the like. We assume such data is accurate and such systems functional unless otherwise noted in the appraisal.

This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

This appraisal is not intended to be used in connection with a real estate syndicate or syndicates. A real estate syndicate is a general or limited partnership, joint venture, unincorporated association or other organization formed for the purpose of an investment from an interest in real property. It includes, but is not limited to a sale, exchange, trade or development of such real property. It may or may not be registered with the United States Securities and Exchange Commission or a state regulatory agency which regulates public offerings.

This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights, (mineral, gas, and oil), were not considered in this appraisal unless specifically stated to the contrary.

If any claim is filed against Southwest Appraisal Associates, its officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, only for direct compensatory damages, (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by Southwest Appraisal Associates to provide this report.

All disputes shall be settled by binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association.

The use of this report or its analysis and conclusions by the clients or any other party constitutes acceptance of all the above limiting conditions.

SUBJECT PROPERTY PHOTOS

Photo 1: Facing East from Western Property Boundary

Photo 2: Facing East Along Southern Property Boundary

Photo 3: Facing North from South Property Boundary (Mid-Block)

Photo 4: Facing North from Southeast Property Boundary


Photo 5: Water Located at Western Property Boundary

Photo 6: Sewer at Northwest Property Corner


Photo 7: Facing North on Mountain Road at West Property Boundary

Photo 8: Facing South on Mountain Road at West Property Boundary

EXECUTIVE SUMMARY

Property Location:	The property is located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212.
Assessor's Parcel Number:	Portion of 304-34-926
Property Type:	Vacant Land
Effective Date of Value:	January 13, 2026, the date of the property inspection.
Purpose of the Appraisal:	Provide "As Is" Market Value opinion for the subject property.
Intended Use:	The intended use of the appraisal is to utilize the market value estimates to assist in decisions regarding the potential sale of the subject property.
Intended Users:	The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. No other use or users are intended, and any unintended use may be misleading.
Interest Appraised:	Fee Simple Interest.
Site Size:	According to the client, the subject property consists of 144,970 square feet or 3.33 acres.
Hazardous Substances:	None known.
Flood Insurance Zones:	The subject property is located within the Zone X flood zone.
Zoning:	The subject is currently zoned AG, Agricultural. This appraisal assumes that the subject property would receive approval to be rezoned to NC, Neighborhood Commercial in the City of Mesa.
Highest & Best Use:	Commercial Use.
As Is" Market Value Opinion:	***$700,000***
Exposure Time:	Exposure time is estimated at 12 months if priced appropriately.

THE APPRAISAL PROCESS

An appraisal is an opinion based upon research, judgment, and an analysis of factors influencing real estate value. These factors consider the four major forces at work in the economy: physical, legal/political, social and economic forces.

The sections comprising the first portion of the report include: Date, Purpose of the Appraisal, Property Identification, Scope of Work, Regional Data, Neighborhood Data, Site Analysis, and Highest and Best Use. The highest and best use of the subject property is the basis upon which market value is determined.

The second portion of the report contains the approaches used to determine an opinion of market value for the fee simple in the subject property. The three traditional approaches to value are considered. However, since the subject property is vacant land, only the Sales Comparison Approach is applicable.

In the Sales Comparison Approach, recent sales of similar properties, known as "comparables," are analyzed and adjusted to the subject property. This approach best represents the actions of buyers and sellers in the market for this type of property. The degree of similarity between the comparables and the subject property determines the reliability of this approach.

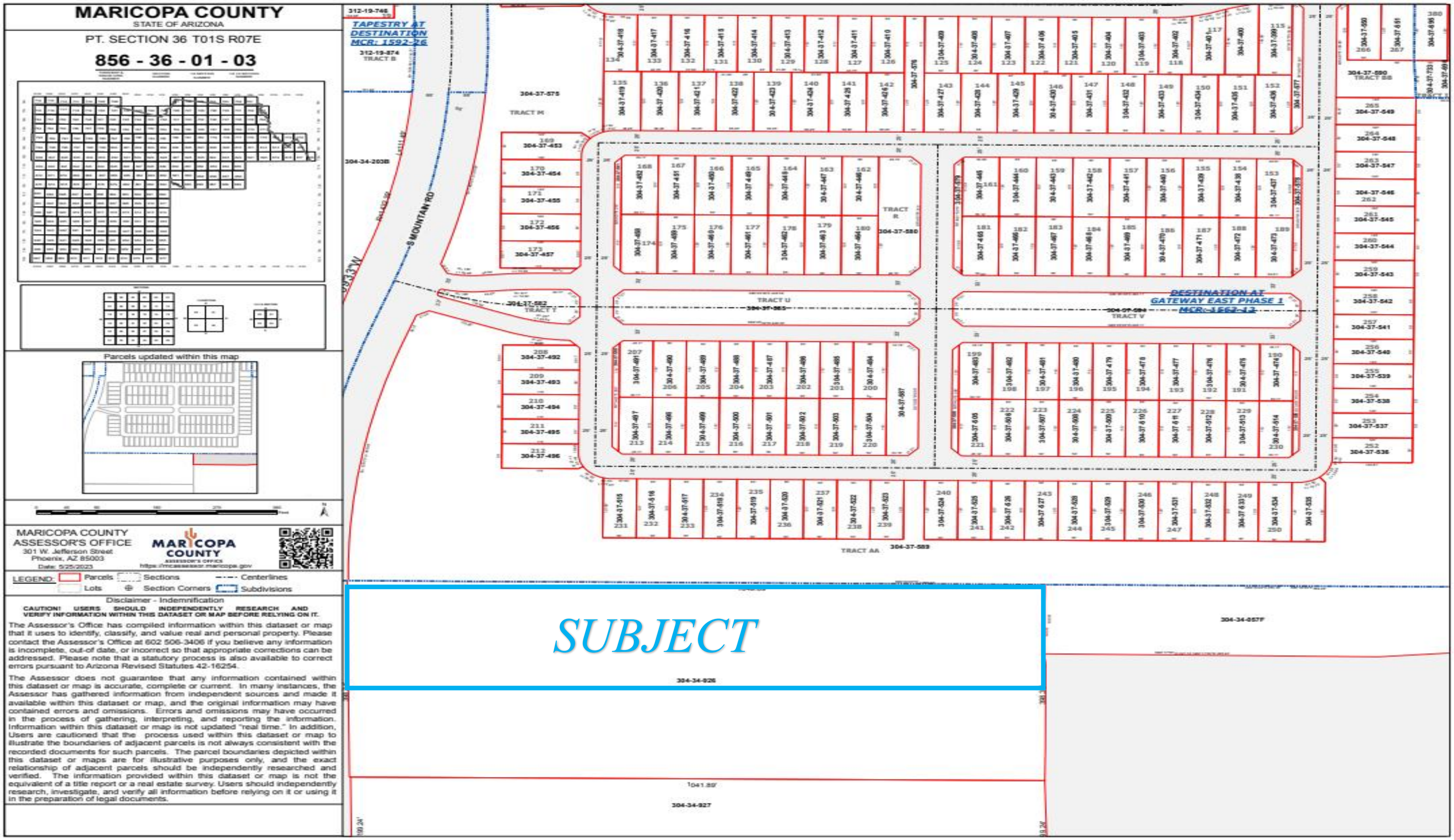
PROPERTY IDENTIFICATION

The property is located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212. It is physically situated at the northeast corner of Mountain Road and State Route 24. It is a portion of Maricopa County Assessor's Parcel Number 304-34-926. It is located in Section 36, Township 01S, Range 07E. A brief legal description for the subject and plat map follows:

Legal Description

TH PT SEC 36 1S 7E DAF COM SE COR SEC 36 TH W 1757.57F TH N 2576.48F TO TH POB TH W 1094.09F TH N ALG C/L OF MOUNTAIN ROAD 398.34F TH E 1093.68F TH S 398.35F TO POB EX W 45F TH/OF.

Plat Map



Blue Subject Outline is an Approximation

PURPOSE OF THE APPRAISAL

Purpose of the Appraisal:	The purpose of the appraisal is to provide "as is" market value opinions of the fee simple estate.
Intended User of the Appraisal:	The intended users of the appraisal include the officials and agents of the Arizona Department of Transportation and the officials and agents of the Federal Highway Administration. No other use or users are intended, and any unintended use may be misleading.
Intended Use of the Appraisal:	The intended use of the appraisal is to utilize the market value estimates to assist in decisions regarding the potential sale of the subject property.
Date of Value Opinion:	The effective date of the value opinion is January 13, 2026, the date of the property inspection.
Date of the Appraisal Report:	The date of the appraisal report is January 16, 2026.

DEFINITIONS

Appraisal:

"(noun) The act or process of developing an opinion of value; an opinion of value. (adjective) Of or pertaining to appraising and related functions such as appraisal practice or appraisal services."[4]

Appraiser:

"One who is expected to perform valuation services competently and in a manner that is independent, impartial, and objective."[5]

C***ontiguity:***

"The quality or state of being contiguous."[6]

Economic Unit:

1. "A portion of a larger (parent) parcel, vacant or improved, that can be described and valued as a separate and independent parcel. Physical characteristics such as location, access, size, shape, existing improvements, and current use are considered when identifying an economic unit. The economic unit should reflect marketability characteristics similar to other

[4] Uniform Standards of Professional Appraisal Practice, The Appraisal Foundation, 2018-2019.
[5] Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition, pg. 10
[6] Merriam-Webster On-Line Dictionary, 2010.

properties in the market area. In appraisal, the identification of economic units is essential in highest and best use analysis of a property."
2. "A combination of parcels in which land and improvements are used for mutual economic benefit. An economic unit may comprise properties that are neither contiguous nor owned by the same owner. However, they must be managed and operated on a unitary basis and each parcel must make a positive economic contribution to the operation of the unit." [7]

Exposure Time:

"The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." [8]

Fee Simple Estate:

The Fee Simple Estate is the interested to be appraised for the subject within this report.

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." [9]

Larger Parcel:

"*In governmental land acquisitions and in valuation of charitable donations of partial interest in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, and unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use*."[10]

Market Value:

"'Market Value' means the most probable price estimated in terms of cash in United States dollars or comparable market financial arrangements which the property would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable."[11]

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[7] Appraisal Institute, The Dictionary of Real Estate Appraisal (Sixth Edition), pg. 72-73
[8] Uniform Standards of Professional Appraisal Practice, The Appraisal Foundation, 2016-2017.
[9] Appraisal Institute, The Dictionary of Real Estate Appraisal (Sixth Edition), pg. 90
[10] Appraisal Institute, The Dictionary of Real Estate Appraisal, Seventh Edition, pg. 105
[11] Arizona Revised Statute 28-7091

OWNERSHIP HISTORY

According to the Maricopa County Recorder, the fee simple ownership of the subject property last transferred from Edward and Suzan Bawolek to the State of Arizona on May 22, 2018. This property transfer was via Warranty Deed and recorded under number 2018-0391873.

The subject property is currently listed for sale on the open market. The property was originally listed on March 10, 2025 for $1,010,000. On July 24, 2025, the list price was reduced to $899,000. Due to the lack of interest, the list price was further reduced to $808,000 on September 9, 2025. The property remains listed at this price. According to Mr. Robert Jeffery, ADOT Sales Agent, there was only one party who expressed interest in purchasing the property. The potential buyer was a billboard company who wanted to develop a billboard on the site. The City of Mesa would not allow billboard development due to its close proximity to a residential neighborhood. Due to this, the potential buyer did not proceed with purchasing the subject. No others offers to purchase the property were submitted and the property has received minimal interest to purchase.

Property Inspection

The subject property was inspected on January 13, 2026. Mr. Jim Walcutt, ADOT representative accompanied Mr. John Medley, appraiser, on the inspection.

SCOPE OF WORK

The Scope of Work for an appraisal is the extent of the process of collecting, confirming, and reporting data, as well as the methods used in supporting the value opinions. The Sales Comparison Approach is employed to estimate the market value of the subject property. The Cost and Income Approaches are excluded since the market does not rely on these approaches when valuing vacant land that is not leased.

In accordance with *Uniform Standards of Professional Appraisal Practice* (USPAP) 2024, the scope of work for the appraisal includes, but is not limited to, the following:

- Inspection and analysis of the subject property, market conditions, and other restrictions that affect value; and
- Research, analysis, and confirmation of comparable market data.

Research included the examination of sales and listing data published by CoStar COMPS of Arizona, Multiple Listing Service, Maricopa County public records, and interviews with real estate participants and brokers. Based on our conclusions of Highest and Best Use, vacant land property sales with similar uses were selected.

The comparable properties and other market data that is included in the analysis are considered to be the best available. The data selected is adequate to provide reliable indications of market value for the subject property. Overall, the market value opinion provided in this report is adequately supported.

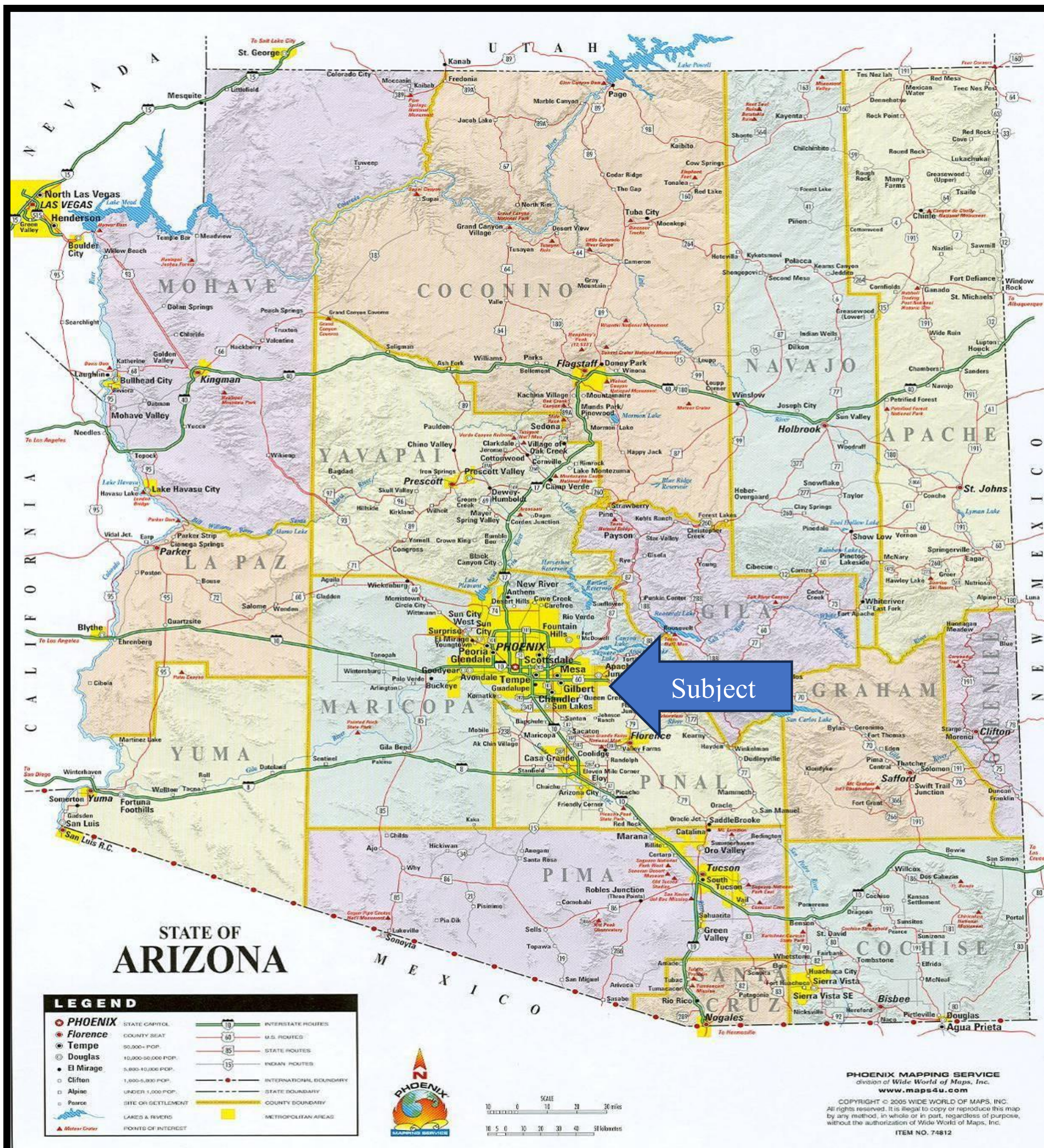
Limitation in Scope:

This report is a narrative appraisal report. There are no other limitations in the scope of the assignment, other than those discussed in the Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions.

REGIONAL ANALYSIS

The subject property is located within Maricopa County in the State of Arizona. This section presents an analysis of Maricopa County's growth and economic trends. The City of Phoenix is also reviewed here as it is the largest metro in the county. Due to the subject's close proximity to Pinal County, this county is also included. Then, we provide a conclusion relating these area trends to the valuation of the subject.

ARIZONA COUNTY MAP



OVERVIEW – MARICOPA COUNTY

It is well known that the Maricopa real estate market has been volatile over the past five years. Real estate market volatility resulted from the COVID-19 pandemic, as well as other events such as energy price changes and record price inflation. Every day, there is greater clarity about their effects and expectations as evidenced by transaction activity, various data sources, and market participants.

Maricopa County, named after the Maricopa Tribe, was created from portions of Pima and Yavapai counties in 1871. It was the fifth county formed in Arizona, and eventually portions were used to create Gila and Pinal counties. In the late 19th century, citizens living far south of Prescott, the territorial capital and site of the Territorial Legislature, petitioned for a more local seat of government. Residents of the Salt River Valley and the Gila River area wanted a new county in their respective locations. After weighing both proposals, the legislature agreed with the Salt River Valley group and created Maricopa County. In 1889, Phoenix became the final site of the territorial capital and retains its status as Arizona's capital city.

More than half of the state's population resides in Maricopa County, which includes the cities of Phoenix, Buckeye, Mesa, Glendale, Scottsdale, Tempe, Chandler, Peoria and the town of Gilbert. This metropolitan area is the state's major center of political and economic activity. In addition to housing the state capital, the county is home to a growing high-tech industry; manufacturing and agricultural industries; 15 institutions of higher learning, including Arizona State University and the Thunderbird Garvin School of International Management; various cultural attractions; major league professional basketball (Phoenix Suns and Phoenix Mercury), football (Arizona Cardinals), hockey (Phoenix Coyotes) and baseball's 2001 World Champion Arizona Diamondbacks; and Phoenix Sky Harbor International Airport, fifth busiest in the world with over 1,300 daily flights.

Today Maricopa County measures 9,222 square miles, 98 square miles of which is water. Twenty-nine percent of this area is owned individually or by corporation, and 28 percent is owned by the U.S. Bureau of Land Management. The U.S. Forest Service and the State of Arizona each control 11 percent of the county; an additional 16 percent is owned by other public entities. Almost 5 percent is Indian reservation land.

Population – Maricopa County

The most recently published population for Maricopa County is detailed in the following table. The County has had positive population growth for the past ten years. The most recently published population is 4,4726,247. The ten-year population growth was 15.9%.

Maricopa County

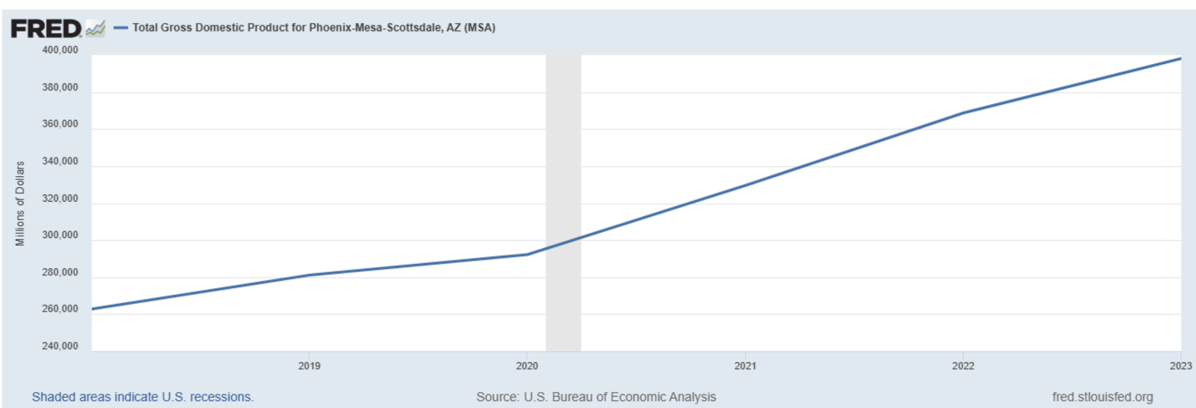
Year	Total Population	Numerical Increase	Percent Increase
2015	4,076,400	Not. Applc.	Not. Applc.
2016	4,154,976	78,576	1.93%
2017	4,221,203	66,227	1.59%
2018	4,293,823	72,620	1.72%
2019	4,366,987	73,164	1.70%
2020	4,436,704	69,717	1.60%
2021	4,507,419	70,715	1.59%
2022	4,586,431	79,012	1.75%
2023	4,665,020	78,589	1.71%
2024	4,726,247	61,227	1.31%

Note: All estimates are as of July.

Source: https://oeo.az.gov/population/estimates

Gross Domestic Product – Maricopa County

The primary measure of an area's economic activity is Gross Domestic Product (GDP). GDP figures for the Phoenix Metropolitan Statistical Area, (MSA), are provided in the following chart for the most recently published five-year period. The figures are in current dollars. Over the last 5-year period, GDP has experienced steady growth. As of 2023, Maricopa County's GDP was $398,129,452. A 51.54% increase over the 5-year period.



Source: FRED Economic Data; https://fred.stlouisfed.org/

Employment and Unemployment – Maricopa County

Total employment and unemployment rates for Maricopa County are provided in the following tables for the period from 2020 through 2024. Please note that all statistics are as of January. Employment in the Phoenix MSA has experienced steady growth over the last 5-year period, with the exception of 2021. The decline in 2021 is attributed to the Covid-19

Pandemic. As represented in the following chart, total employment has fully recovered and grown to record numbers since the pandemic.

Employment
Maricopa County

Year	Total Employment	Numerical Increase	Percent Increase
2020	2,177,653	N/A	N/A
2021	2,161,823	(15,830)	-0.73%
2022	2,260,473	98,650	4.56%
2023	2,325,600	65,127	2.88%
2024	2,392,193	66,593	2.86%

Note: All figures are as of January.
Source: U.S. Bureau of Labor Statistics.
https://fred.stlouisfed.org/series/

Unemployment as of January 2025 was 3.4%, which is below the pre-Covid pandemic years. Unemployment has been steadily trending downward after a rise during the height of the pandemic in 2021. The following chart represents unemployment rates over the last 5-year period.

Unemployment Rates
Maricopaa County

Year	Unemployment Rate
2020	6.2%
2022	3.4%
2023	2.9%
2024	3.4%
2025	3.4%

Note: All figures are as of January
Source: U.S. Bureau of Labor Statistics.
https://www.bls.gov/regions/west/arizona.htm

Largest Employers – Phoenix MSA

The 20 largest employers for The Phoenix MSA, as reported by Moody's are noted in the table on the following page. While not all-encompassing, this list provides further indication of the types of economic sectors that are drivers for the area. Job sector composition also gives an indication of the predominant drivers of current and future demand for supporting commercial real estate sectors. The top five largest private sector employers are Banner Health, Walmart Inc., Fry's Food Stores, Wells Fargo, and Arizona State University.

Selected Major Employers: Phoenix MSA

Rank	Employer	Employees
1	Banner Health	45,894
2	Walmart Inc.	33,619
3	Fry's Food Stores	20,165
4	Wells Fargo	16,700
5	Arizona State University	14,889
6	HonorHealth	12,163
7	Dignity Health	10,598
8	Intel Corp.	10,400
9	Bank of America	10,000
10	JP Morgan Chase & Co.	10,000
11	Freeport-McMoran Copper & Gold Inc.	9,300
12	Grand Canyon Education	8,500
13	Bashas' Family of Stores	8,299
14	American Express	7,795
15	Honeywell Aerospace	7,792
16	Mayo Clinic Hospital	7,500
17	UnitedHealthcare of Arizona Inc.	7,302
18	State Farm	7,200
19	Arizona Public Service Co.	5,866
20	Salt River Project	5,239

Source: Moody's Analytics Precis@ US Metro

Phoenix MSA's core white-collar drivers are primed for solid growth in the near and medium term. Finance employment reversed course in the second quarter, regaining some momentum following a decline for the majority of last year. Credit intermediation accounts for the bulk of Phoenix MSA's finance employment, and its share of total jobs is nearly three times the national average. This sector will benefit from a rising interest rate environment as well as historically solid credit quality and credit growth, which will enable banks and credit card issuers to expand. Additionally, moderate business and living costs, a high quality of life, a strong labor pool, and a business-friendly climate will make Phoenix MSA a hub for expansions and relocations of back-office banking and insurance roles. Tech will offer additional support as many firms are opting to expand in the metro area given its cost advantage over other tech hubs through California.

Strong global demand for semiconductors will keep manufacturing on a growth trend. The industry is becoming increasingly important in the metro area, with job growth outpacing the overall labor market since 2016. The local semiconductor industry, Phoenix MSA's specialization, will benefit from solid demand and rising prices for chips used in automobiles and electronic devices. Phoenix MSA's reasonable costs, large labor pool, and abundance of available land are already enabling it to attract a vast amount of factory investment. Semiconductor producers Intel and Taiwan Semiconductor as well as battery cell maker KORE Power are the latest firms to choose Phoenix MSA. KORE Power and Intel are in the process of expansion, which will result in the addition of a few thousand workers over the next few years. This will provide a generous tailwind to the rapidly growing industry.

Strong demographic tailwinds and robust income growth driven by expansion of high-paying industries will allow consumer industries to press ahead. Phoenix MSA's population will expand three times the national pace in the coming years, while the addition of good-paying finance, tech and manufacturing jobs will allow incomes to grow faster than regionally and nationally. More residents will increase foot traffic at restaurants, stores and bars and boost demand for medical services, driving strong job growth in leisure/hospitality, retail and healthcare.

Transportation – Phoenix MSA

Phoenix is well served by all major modes of transportation. Phoenix Sky Harbor International Airport is Arizona's largest and busiest airport, and among the largest commercial airports in the United States. The airport serves as a hub for American Airlines and a base for Southwest Airlines. They are the airport's largest passenger carriers which provide domestic and international air services.

Interstate-10 connects Phoenix with California to the north and west and with Tucson and New Mexico to the south and east. Interstate-17 connects Phoenix with Flagstaff to the north. The Phoenix area is further served by a highly functional light rail system, transit system, and arterial freeways, highways and state routes.

OVERVIEW PINAL COUNTY

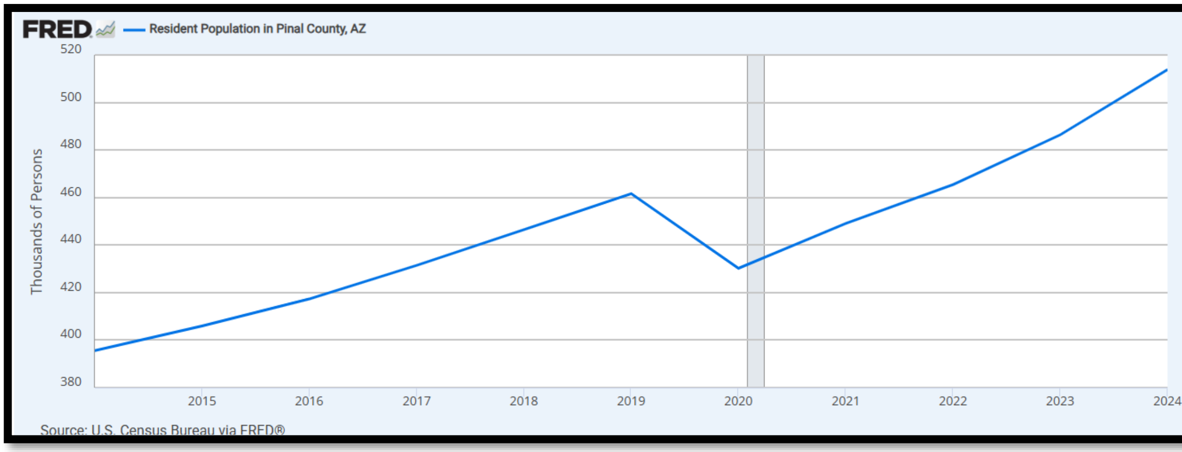
Pinal County is a county located in the southern portion of the State of Arizona. The county seat is Florence. Pinal County is located in the Sonoran Desert, and has a warm, dry climate. Pinal County has a mostly rural character with a limited population base.

The economy of Pinal County is based on agriculture, manufacturing, and tourism. The county is home to a number of farms and ranches, and is a major producer of cotton, citrus fruits, and vegetables. Pinal County is also home to a number of manufacturing companies, and is a major producer of aerospace parts, electronics, and food products. Tourism is also a major industry in Pinal County, and the county is home to a number of resorts, golf courses, and other attractions.

Pinal County is home to a number of cities and towns, including Eloy, Casa Grande, Coolidge, Florence, Maricopa, and Apache Junction. The county is also home to a number of Native American reservations, including the Gila River Indian Community, the Salt River Pima-Maricopa Indian Community, and the Ak-Chin Indian Community.

Population -Pinal County

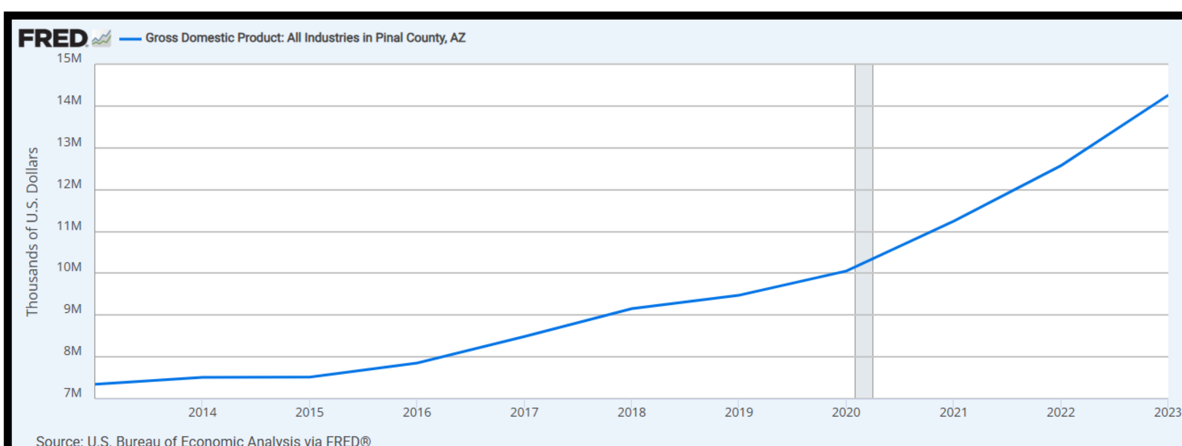
According to the Federal Reserve Bank of St. Louis, the 2024 population for Pinal County is 513,862 persons. Over the last 10-year period, Pinal County's population base has increased 29.9% or approximately 3% annually. This is represented in the following chart.



Source: https://fred.stlouisfed.org/series/AZPINA5POP

Gross Domestic Product – Pinal County

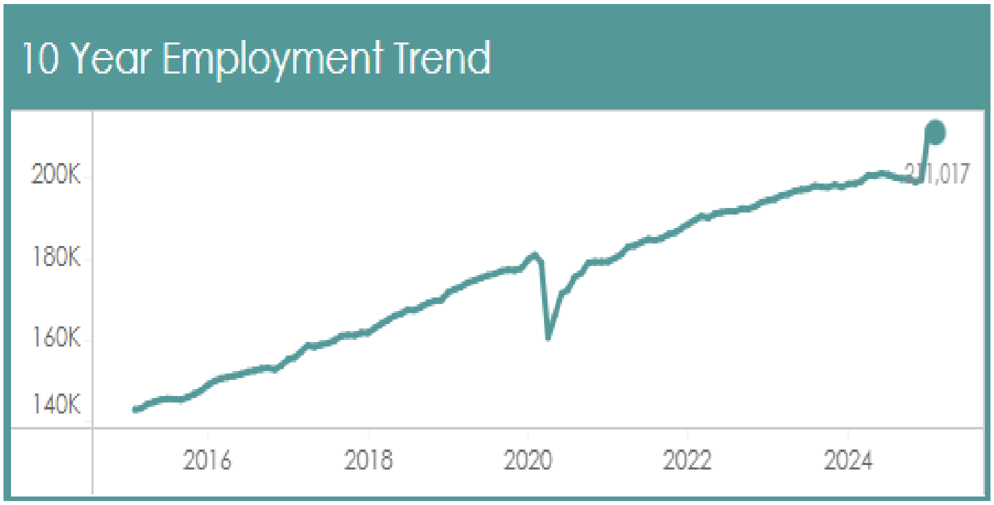
The primary measure of an area's economic activity is Gross Domestic Product (GDP). The most recent GDP figures for Pinal County are provided in the following table for the past 10 years. As represented in the following chart, Pinal County has experienced increased growth over the last 3-year period. Since 2020, GDP increased by 41.8%. This recent increase is largely attributed to the new manufacturing uses recently developed in the Casa Grande area. The following chart shows Pinal County's GDP over the last 10-year period.



Source: https://fred.stlouisfed.org/series/GDPALL04021

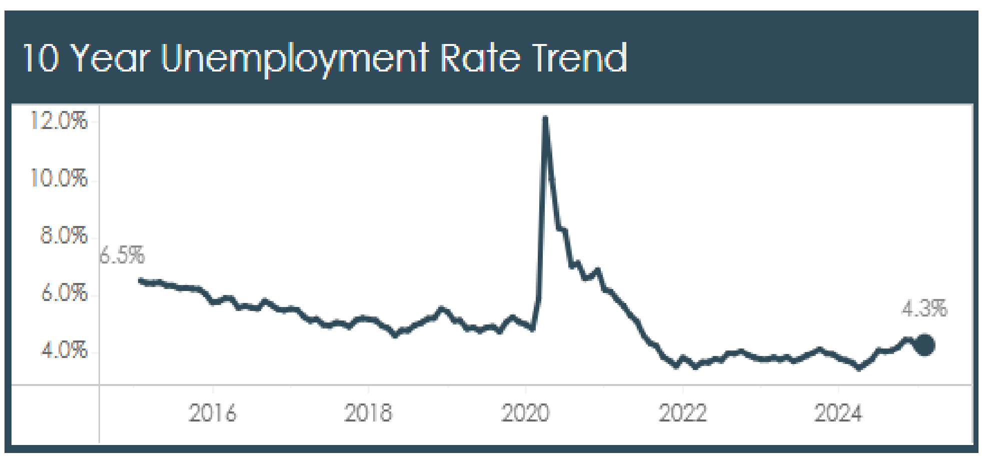
Employment and Unemployment – Pinal County

As represented in the following chart, employment in Pinal County has grown from 142,692 employed persons in February2015 to 211,017 employed persons in February 2025. This represents an increase of 47.9% overall or 4.8% annually.



SOURCE: https://www.pinal.gov/1298/Labor-Force-and-Unemployment-Rate

As represented in the following chart, unemployment in Pinal County has declined from 6.5% in February 2015 to 4.3% in February 2025. The large increase in unemployment in 2020 is attributed to the Covid-19 Pandemic.



SOURCE: https://www.pinal.gov/1298/Labor-Force-and-Unemployment-Rate

OVERVIEW – PHOENIX

With an outstanding quality of life, affordability and steady growth in job opportunities, more than 1.63 million people call Phoenix home. Phoenix is the vibrant center of one of the fastest growing job markets and economies in the United States. As the fifth largest city in the country, Phoenix is emerging in a new economy with strengths in high technology, manufacturing, bioscience research and advanced business services. As a top market for skilled and available workforce, companies are growing in Phoenix because it is not only a thriving business environment, but a great place to live.

Principal Economic Activities

Phoenix remains one of the nation's better-performing markets for employment growth recording more than 56,000 job additions in the trailing 12-month period ending April 2023. The labor market now has 151,700 more jobs than before the pandemic, the fourth-highest gain in the nation. The local economy was highly resilient during the pandemic, thanks to a diversified employment base across a broad range of industries. Metro Phoenix lost about a quarter million positions in March and April 2020 but by July 2021, Phoenix fully regained those losses, which was nearly a full year ahead of the U.S. This marks a stark contrast to its protracted recovery from the global financial crisis, when Phoenix didn't recoup its job losses until well after the broader nation did.

The competitive advantage and growth drivers that have historically stimulated growth in the Valley of the Sun remain strong. Affordability and job prospects are attracting people living in dense and expensive cities to Phoenix. The adoption of remote work has given more people mobility and has enticed residents in California or East Coast markets to relocate. Population growth, a diversifying economy, relative affordability, and business friendly regulation have strengthened the Phoenix value proposition. These characteristics attracted an average of 69 people to the Phoenix metro each day in 2023 and made Maricopa County one of the fastest-growing counties in the country.

An influx of residents and the market's large educational institutions and colleges are significant contributors to the local talent pool. Metro Phoenix is home to the country's largest public and private universities: Arizona State University (ASU) and Grand Canyon University (GCU). ASU enrollment surpassed 140,000 students in fall 2022, spread across five campuses and including online students. ASU's primary location in Tempe is the largest, with more than 57,000 students on campus. Beyond producing new graduates, the universities collaborate with local employers on research and classroom curricula.

Businesses are selecting Phoenix to expand because of the extensive labor pool and favorable regulatory treatment. Numerous employers have announced expansions and relocations since the pandemic. Taiwan Semiconductor Manufacturing Company (TSMC) made national headlines when it confirmed plans to build a second fabrication plant in north Phoenix. The move increases the firm's investment from $12 billion to $40 billion, creating

10,000 high-tech jobs. Preliminary estimates from city economic development officials indicate the investment by TSMC could bring up to 45 additional businesses to the Valley that support and supply the plant. Additionally, Intel is underway on a $20 billion expansion at its Chandler campus where the semiconductor giant is building two new fabs alongside its four existing ones. Amazon recently opened several last-mile and fulfillment sites throughout the metro and leased a 95,000-SF office in Tempe, which will generate thousands of new jobs. Other companies that have added hundreds of new jobs over the past few years include Allstate, Deloitte, Choice Hotels, Mayo Clinic, Wells Fargo, Farmers Insurance, and USAA. Microsoft, Google, and Apple have invested in data centers throughout the metro. While labor is the primary driver behind the market's business attraction success, relative affordability and a more accommodating regulatory environment help tip the scale in favor of Phoenix when companies make their site selection decision.

The number of companies moving to metro Phoenix is noteworthy, but the diversity of industries has helped sustain the region's long-term stability. Phoenix was synonymous with cheap labor and land that attracted call centers and back-office operators more than a decade ago. The economy depended on industries associated with household growth, construction, lending, brokerage, tile and cabinet manufacturers, etc. Because of its past reliance on housing, Phoenix was among the hardest-hit metros during the Great Recession; the market lost more than 240,000 jobs, 25% of which were in the construction industry alone. Phoenix recovered from the Great Recession about two years after the U.S. The companies that Phoenix is attracting have evolved, and the market has emerged as a hub for advanced manufacturing, aerospace, life sciences, logistics, technology, and finance.

Population-City of Phoenix

Population information for the City of Phoenix is provided in the following table for the past 10 years. The City of Phoenix has the largest population in Maricopa County followed by the City of Mesa. Phoenix’s current population is 1,697,696. The 10-year population growth totals 11.7%, or about 1.2% per year.

Population
City of Phoenix

Year	Total Population	Numerical Increase	Percent Increase
2015	1,520,158	Not. Applc.	Not. Applc.
2016	1,542,212	22,054	1.45%
2017	1,558,912	16,700	1.08%
2018	1,576,598	17,686	1.13%
2019	1,595,630	19,032	1.21%
2020	1,611,162	15,532	0.97%
2021	1,630,195	19,033	1.18%
2022	1,657,035	26,840	1.65%
2023	1,682,053	25,018	1.51%
2024	1,697,696	15,643	0.93%

Source: Arizona Commerce Authority
www.azcommerce.com/oeo/population-estimates

Transportation – Phoenix MSA

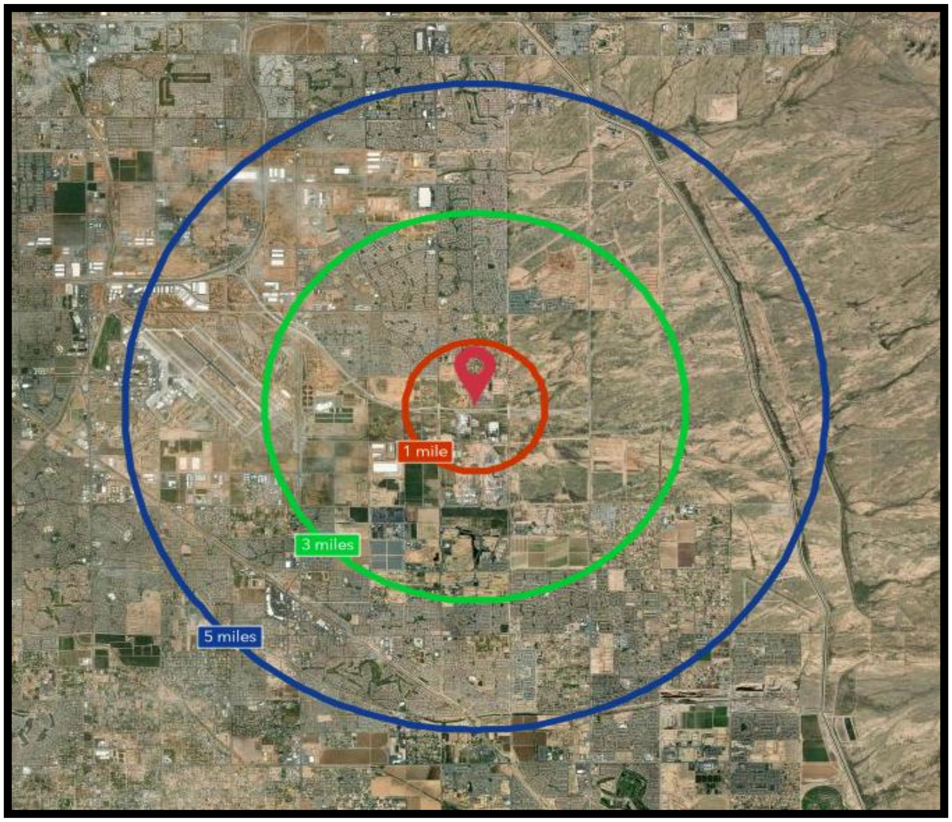
Phoenix is well served by all major modes of transportation. Phoenix Sky Harbor International Airport is Arizona's largest and busiest airport, and among the largest commercial airports in the United States. According to the FAA, in 2022, Phoenix Sky Harbor was the 12th-busiest airport in the U.S. with 21,852,586 enplanements. The airport serves as a hub for American Airlines and a base for Southwest Airlines

Interstate 10 connects Phoenix with California to the north and west and with Tucson and New Mexico to the south and east. Interstate 17 connects Phoenix with Flagstaff to the north. The Phoenix area is further served by a highly functional light rail system, transit system, and arterial freeways, highways and state routes.

CONCLUSION – REGIONAL IMPACT ON VALUE

The Phoenix MSA remains one of the nation's best-performing markets for job growth. The local economy has been one of the most resilient in the U.S. during the pandemic, thanks to a diversified job market. Affordability and job prospects are attracting people living in dense and expensive cities to the Phoenix MSA. While labor is the primary driver behind the market's business attraction success, relative affordability helps tip the scale in favor of the Phoenix MSA when companies make their site selection decision. Longer term, the Phoenix metro area will outperform the U.S. thanks to lower living costs, solid population gains and the continued diversification of industry.

NEIGHBORHOOD ANALYSIS



The subject property is located in the southeast portion of the City of Mesa municipal boundary. The surrounding area is largely developed with residential subdivisions, industrial uses, agricultural land, and large areas of undeveloped land east of the subject.

Land Use and Economic Activity

The subject neighborhood consists largely of residential, commercial, and industrial use land. Several residential subdivisions are located north of the subject and commercial development is located just west of the subject. Industrial uses are located south of the subject. State Route 24 creates the artificial barrier between the residential/commercial uses and the industrial uses. Some of the most prominent economic activities near the subject property are outlined below:

Fujifilm Electronic Materials U.S.A.

Fujifilm Electronic Materials U.S.A., Inc. operates a major manufacturing and research facility approximately 0.1-mile southwest of the subject property. The facility specializing in high-technology chemicals such as polyimides, photoresists, chemical mechanical polishing slurries, and high-purity solvents for the semiconductor industry. The site, which has been active in Arizona for over 25 years and employs approximately 400 personnel, underwent an $88 million expansion in 2022, adding 80,000 square feet across five new buildings to enhance production capacity by 30%. The facility includes warehousing, R&D laboratories, and employee amenities including a fitness center.

LG Energy Solutions

LG Energy Solutions Arizona Inc. operates a state-of-the-art $5.5 billion battery manufacturing complex located approximately 1.7 miles southeast of the subject property. The property is comprised of two stand-alone facilities with one producing 46-Series cylindrical lithium-ion batteries for electric vehicles and another for lithium iron phosphate (LFP) pouch-type batteries dedicated to energy storage systems (ESS). This marks the company's first such cylindrical and ESS plants in North America, with a combined annual production capacity of 53 GWh (36 GWh for cylindrical EV batteries and 17 GWh for LFP ESS batteries) upon full operation. As of mid-2025, construction on the cylindrical battery facility stands at approximately 60% completion, with production slated to begin in summer 2026. The facility is projected to create thousands of high-quality jobs while the ESS plant faced a temporary pause earlier but remains part of long-term plans.

Ashton Woods Subdivision

Destination at Gateway by Ashton Woods is a single-family home community located adjacent north of the subject property. This master-planned development featuring new construction homes ranging from 3-5 bedrooms and up to 4,100 square feet with prices starting around $565,000. This neighborhood blends old-town charm with modern amenities, including parks, green spaces, a covered playground, ramadas, and proximity to the Elliot Road Technology Corridor, Phoenix-Mesa Gateway Airport, and the Queen Creek school district.

Access

Primary access to the subject neighborhood is provided by State Route 202 and State Route 24. Paved roadways that provide access throughout the neighborhood include but are not limited to: Williams Field Road, Pecos Road, Ray Road, Signal Butte Road, Crimson Road, and Meridian Road. These roadways sufficiently supply the subject’s neighborhood with access. The state routes connect to Interstate-10 which provides vehicular access throughout Arizona and to neighboring states.

Demographics

2025 Demographics: *Source: STDBOnline*	**1-Mile Radius**	**3-Mile Radius**	**5-mile Radius**
2025 Summary			
Population	1,666	45,889	129,863
Households	625	14,930	40,923
Families	522	12,778	34,247
Average Household Size	2.67	3.07	3.15
Owner Occupied Housing Units	582	13,452	35,453
Renter Occupied Housing Units	43	1,478	5,470
Median Age	40.8	36.8	35.6
Median Household Income	$151,437	$155,555	$135,975
Average Household Income	$187,960	$187,996	$168,231

Conclusion:

The subject's neighborhood is currently in a growth cycle. Several new residential subdivisions and industrial manufacturing facilities have been constructed within the last 2 years. These uses support the housing and employment needs of the neighborhood. The population base and income levels support added retail expansion in the area. Overall, the subject's neighborhood has a positive impact on the subject property.

MARKET ANALYSIS

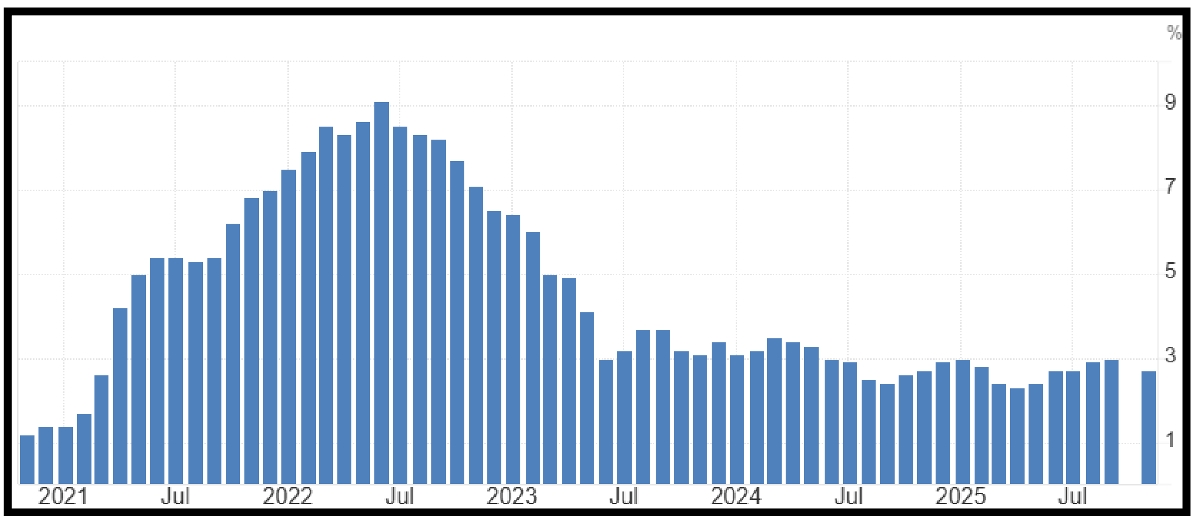
"Market analysis is a process for the examination of the demand for, and supply of, a property type and the geographic market area for the property type."[12]

Subject Attributes

According to CoStar, the subject property is located in the Gateway Airport Retail Submarket. While the subject property is currently zoned for an agricultural use, the property's highest and best use is for commercial development. Due to this, the following market analysis will focus on the commercial land market, which includes retail.

National Economy

According to the U.S. Bureau of Labor Statistics, the inflation rate was around 2% from 2019 through 2021. In 2022 inflation increased rapidly and peaked at over 9% in June, 2022. Since then, inflation has declined and is presently at 2.7% as of November 2025. This remains slightly above the Federal Reserve's target of 2%. The following chart represents inflation in the United States over the last 5 years according to the U.S. Bureau of Labor Statistics.



SOURCE: https://tradingeconomics.com/united-states/inflation-cpi

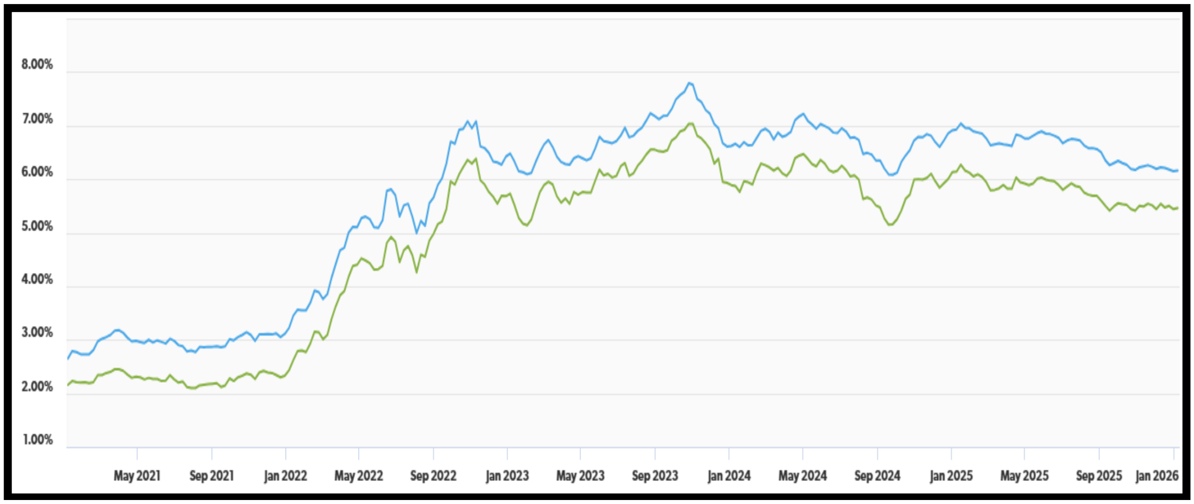
Conventional Long Term Mortgage Data

According to the "Primary Mortgage Market Survey" compiled by Freddie Mac, the most recent interest rate for a 30-year fixed rate mortgage is 6.16% as of January 2026. Mortgage interest rates are up from the all-time low of 2.65% in January, 2021. In the

[12] *The Appraisal of Real Estate, 14th Edition,* Appraisal Institute, P 299

beginning of 2022, the 30-year United States Single Family Home Prices mortgage interest rate began a steep increase to almost 8% by late 2023. Since then, the 30-year mortgage interest rate has declined to the previously reported 6.16%.

The following chart shows the fixed mortgage interest rates for a 30-year loan rate, in blue, and the 15-year loan rate, in green, over the last 5-year period.

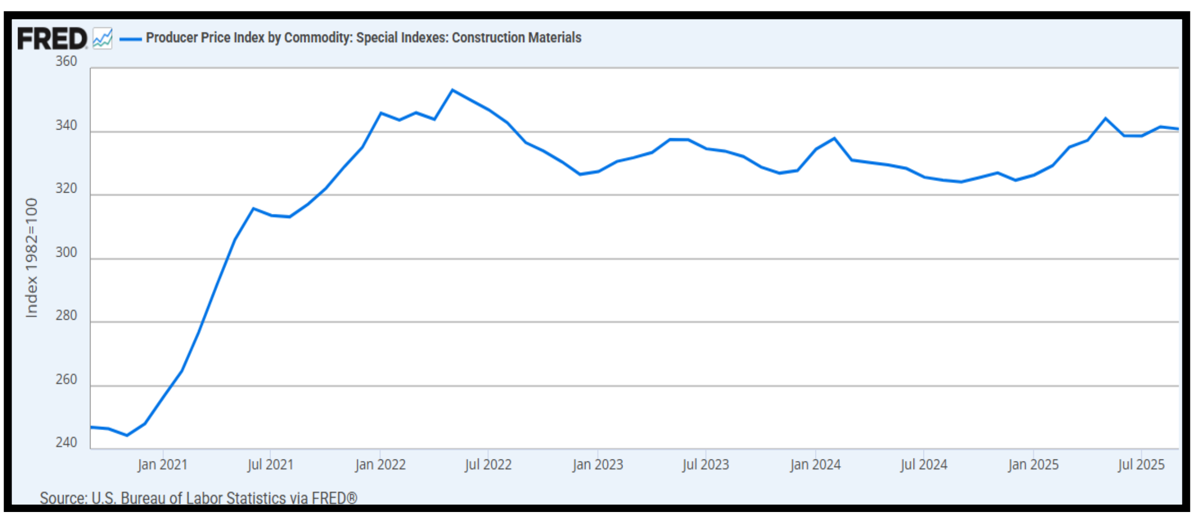


SOURCE: https://www.freddiemac.com/pmms

Cost of Construction

In November 2020, Construction Materials Pricing index was 244.3, (1982=100). The index increased dramatically increased to 353.02 in May 2022, an increase of 44.5% in less than 2 years. Even though construction material costs have declined modestly to 340.76 in September, 2025, these costs remain well above the previous 10-year average.

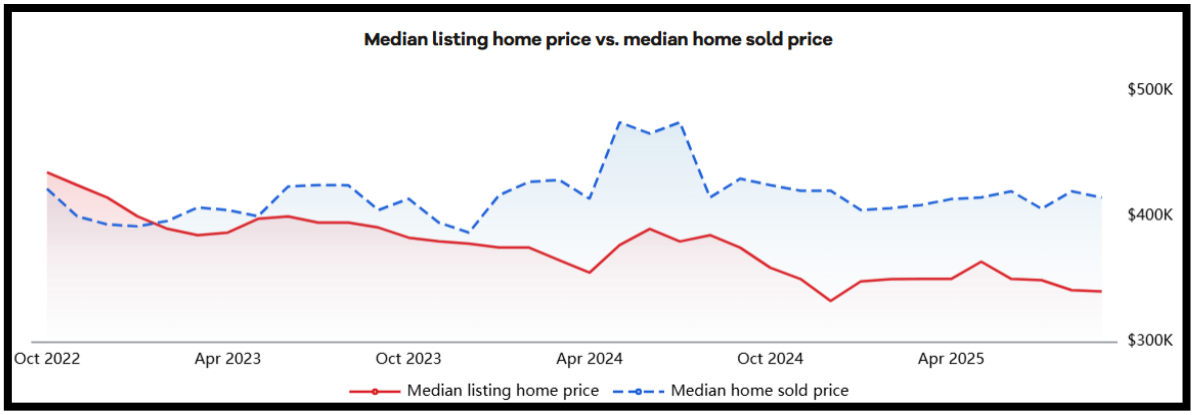
The following chart represents the previous 5-year period of construction costs according to the St. Louis Federal Reserve follows.



SOURCE: https://fred.stlouisfed.org/series/WPUSI012011

City of Mesa Housing Market

The subject property's value does not directly correlate with the single-family home residential market. Although, this information provides insight into the real estate market as a whole. Residential sale prices in the City of Mesa housing market have decreased 1.66% from $422,000 in October 2022 to $415,000 in September 2025. Median sales prices peaked in May 2024 at $475,000. Sale price declines since this time are largely attributed to the increase in interest rates. The chart below represents these median sale price changes.



Source: https://www.realtor.com/local/market/arizona/maricopa-county/mesa

Phoenix MSA Retail Market

According to CoStar, the Phoenix MSA Retail Market had 2,500,000 square feet of new deliveries, 2,200,000 square feet of net absorption, 4.2% increase in asking rents, and $2.3 billion in sales volume over the last 12-month period. Vacancy rates, asking rent growth, and sales volumes are currently above the historical averages, indicating strong demand for retail properties over the last 12-month period. The following chart represents these numbers and shows their comparison to the historical averages and peaks.

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-0.1% (YOY)	7.8%	4.7%	12.3%	2011 Q1	4.3%	2023 Q4
Net Absorption SF	2.2M	2,665,365	1,155,274	11,377,140	2007 Q3	(2,914,735)	2009 Q4
Deliveries SF	2.5M	3,233,961	1,919,056	13,436,477	2007 Q4	636,892	2011 Q2
Market Asking Rent Growth	4.2%	1.1%	3.2%	7.1%	2024 Q1	-9.3%	2009 Q3
Sales Volume	$2.3B	$1.8B	N/A	$4B	2022 Q3	$467.8M	2010 Q4

Source: CoStar

Gateway Airport Submarket Retail Submarket

According to CoStar, the subject's submarket had 24,100 square feet of new deliveries, 112,000 square feet of net absorption, 4.6% increase in asking rents, and $131 million in sales volume over the last 12-month period. Vacancy rates, asking rent growth, and sales volumes are currently above the historical averages, indicating strong demand for retail properties over the last 12-month period. The following chart represents these numbers and shows their comparison to the historical averages and peaks.

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-2.7% (YOY)	6.7%	1.5%	10.5%	2009 Q2	2.0%	2022 Q4
Net Absorption SF	112K	83,916	32,924	668,020	2007 Q2	(40,230)	2017 Q3
Deliveries SF	24.1K	86,500	23,541	746,060	2007 Q2	3,703	2015 Q3
Market Asking Rent Growth	4.6%	1.1%	3.4%	7.5%	2023 Q2	-9.8%	2009 Q3
Sales Volume	$131M	$32.4M	N/A	$130.9M	2025 Q4	$2.4M	2010 Q1

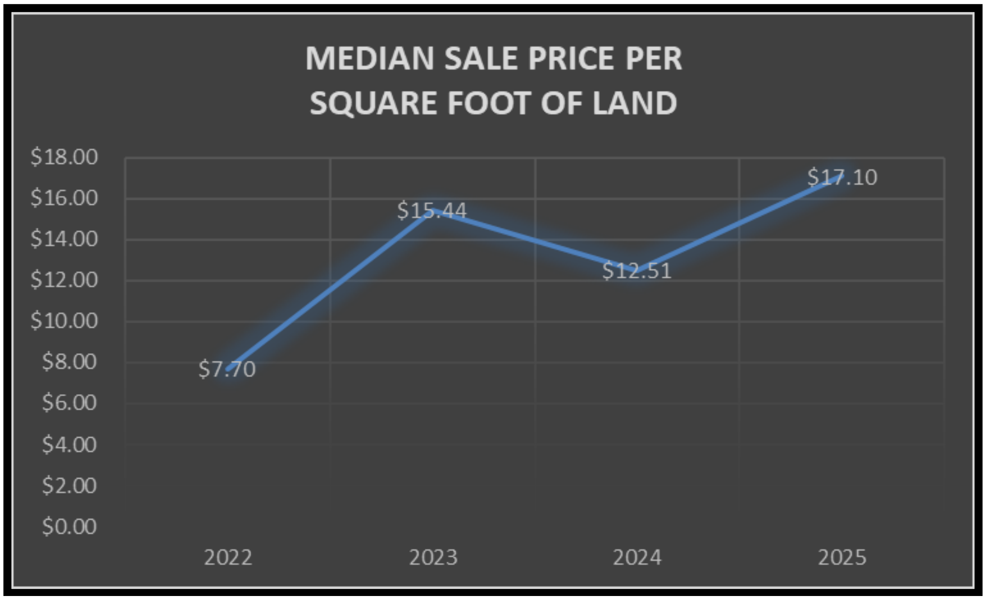
Source: CoStar

Gateway Airport Retail Submarket Land Sales-All Types

According to CoStar, there has been 193 vacant land sales in the Gateway Airport Submarket since 2022. No sales in 2026 have been recorded to date. As represented in the following chart, transactional volumes have declined since 2022. The decline in 2023 coincides with the increased cost of construction and rise in interest rates. The following chart represents the number of sales transactions since 2022.

Source: CoStar

Since 2023, the median sales price per square foot increased 10.75%, or approximately 3.58% annually, from $15.44 in 2023 to $17.10 in 2025. Sale prices have continued to increase even with a reduction in sales volume. The following chart represents the sale price changes on a price per square foot basis since 2022.



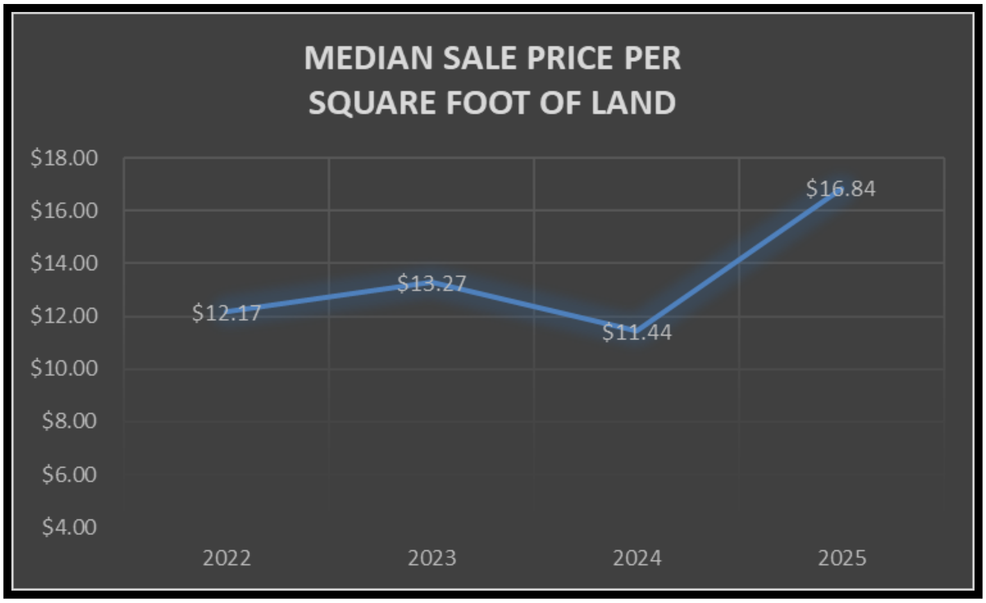
Source: CoStar

Gateway Airport Retail Submarket Commercial Land Sales

According to CoStar, there has been 83 vacant commercial land sales in the Gateway Airport Submarket since 2022. No sales in 2026 have been recorded to date. As represented in the following chart, transactional volumes have declined since 2022. The decline in 2023 coincides with the increased cost of construction and rise in interest rates. The following chart represents the number of sales transactions since 2022.

Source: CoStar

Since 2023, the median sales price per square foot increased 26.90%, or approximately 8.97% annually, from $13.27 in 2023 to $16.84 in 2025. Sale prices have continued to increase even with a reduction in sales volume. The following chart represents the sale price changes on a price per square foot basis since 2022.



Source: CoStar

Conclusion

The City of Mesa and more specifically the Gateway Airport Retail Submarket are growing markets with increasing property values and rent rates. While transactional volumes have been suppressed by the rise in interest rates and construction costs, this has not impacted pricing. As the population base continues to grow, real estate values are expected to increase in the near-term. Based on the aforementioned data, a 5% annual appreciation rate will be utilized in our market conditions adjustments for our land sales.

SITE ANALYSIS

Location: The property is located at 6361 S. Mountain Road, Mesa, Maricopa County, Arizona 85212.

Parcel Size/Shape/Topography: According to the client, the subject property consists of 144,970 square feet or 3.33 acres of level vacant land. The site has a narrow, elongated shape that is restrictive to intensive residential development. The width of the site is approximately 132 linear feet. The subject's restrictive width is supported by the Haven at Destination development plan, which is adjacent east of the subject. The land area abutting the subject has the same depth and is not being developed with residences as shown in the following site plan.

Access (Legal / Physical) Visibility: Physical and legal access to the property is from Mountain Road along the western property boundary. The property is located on and has visibility from Mountain Road which is two-lane urban major collector road.

Site Improvements: The subject property has chain-link fencing along the southern property line. This improvement does not contribute value to the property as a commercial use.

Traffic Counts: According to ADOT, in 2024 there were 1,942 vehicles per day on Mountain Road near the subject property.

Utilities:

Electric: Arizona Public Service, APN

Telephone: Private Providers

Gas:	Southwest Gas
Water:	City of Mesa
Sewer:	City of Mesa

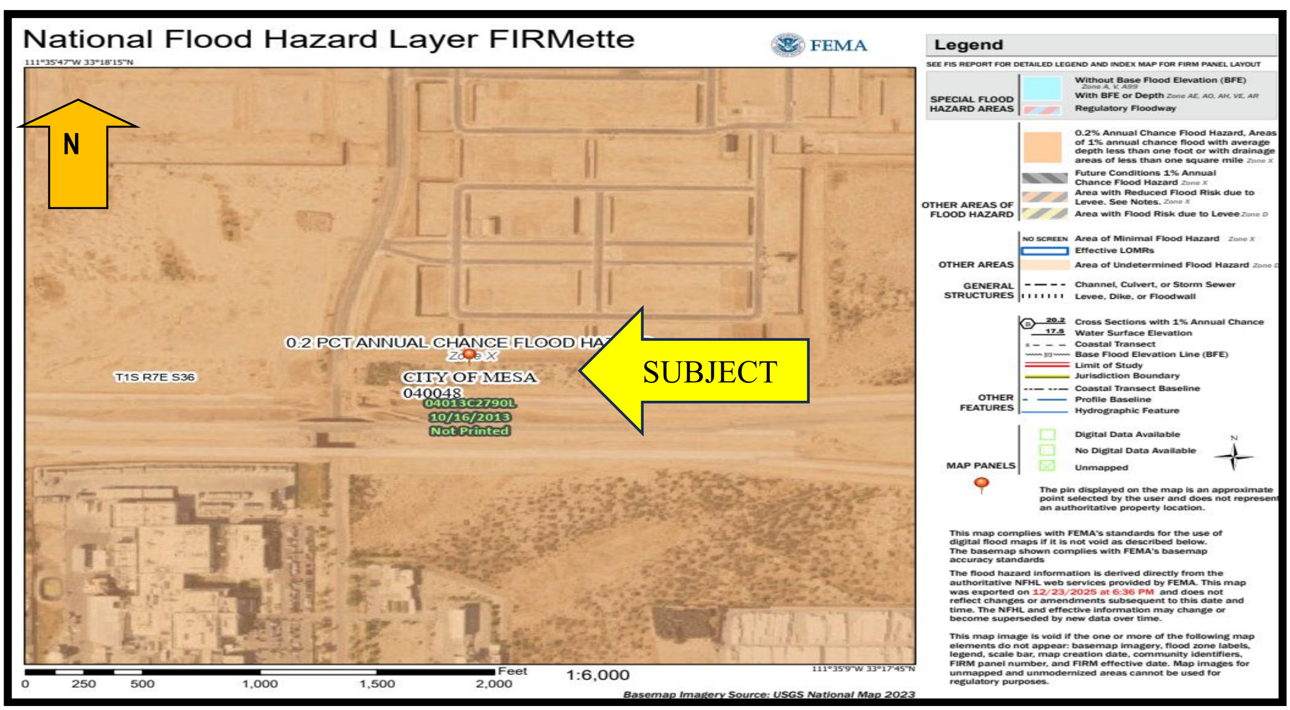
Floodplain: The subject property is located in Flood Zone X, Shaded per FIRM Map Panel No.: 04013C2790L dated October 16, 2013. Zone X, Shaded is an area defined by FEMA as an area of moderate flood hazard, usually the area between the limits of the 100- year and 500-year floods.

Environmental Conditions: No environmental reports were provided for our review. Lacking environmental reports, this appraisal assumes that there are no environmental conditions on or around the subject parcel that would adversely impact its market value.

Soil & Subsoil Conditions: No soils engineering reports were provided for our review. Thus, the soil and sub-soil conditions are not known. During our property inspection there was no visual evidence of adverse soil conditions on the subject parcel. The surrounding improved properties indicate that subsoil conditions support development.

Restrictions & Easements: The subject's Right of Way Title Report was not provided for our review. It is assumed the subject property is encumbered by typical public utility and access easements. These easements do not adversely affect the property's value.

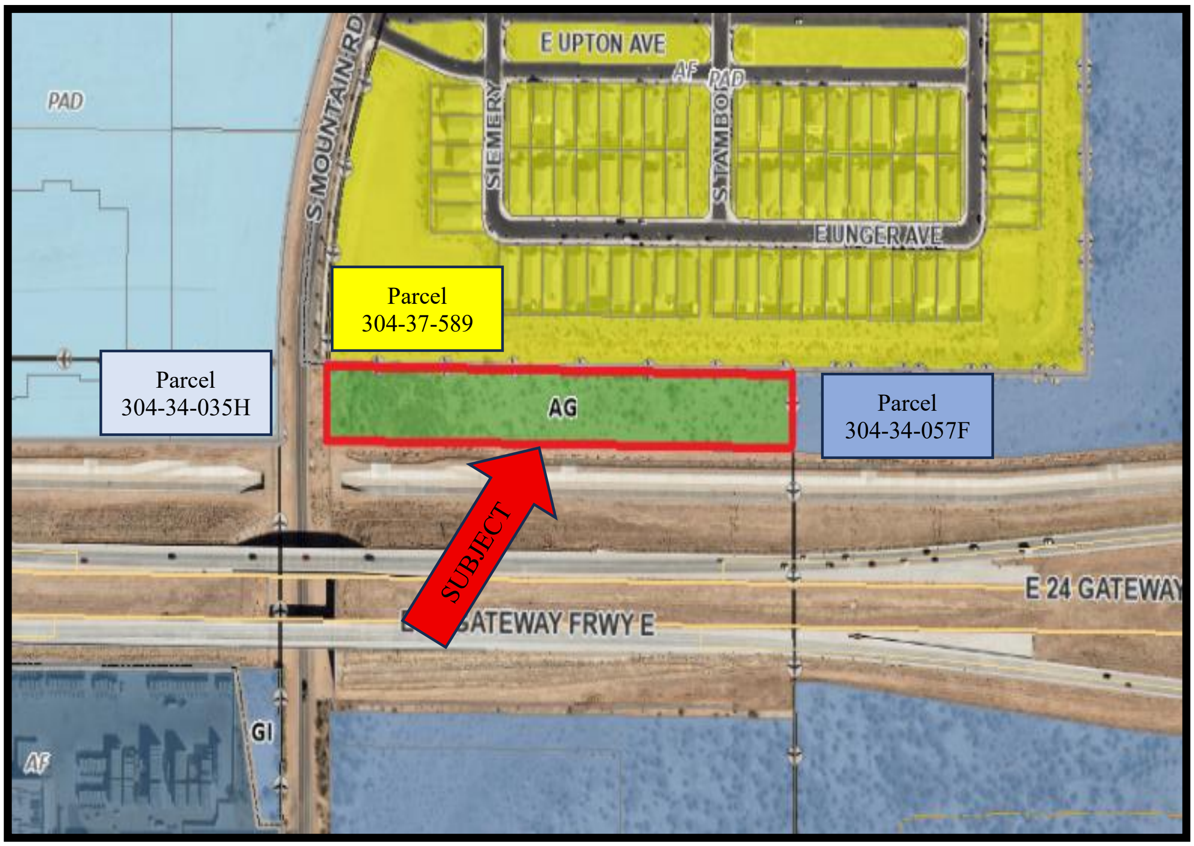
FLOOD MAP



ZONING

The subject is located in the Agricultural, AG zoning district in the City of Mesa. This zoning district is intended to support low-density residential and agricultural uses that preserve the rural character of the area. Allowable uses include but are not limited to: agricultural uses, civic uses, disability housing, and single-family development. Additional accessory uses include animal keeping, accessory dwelling units, farm stands, portable storage containers, and temporary outdoor sales and entertainment. Development standards require a 10-acre minimum lot size, maximum building height of 30 feet, and a 15% maximum building coverage. The subject's zoning is represented in the following map.

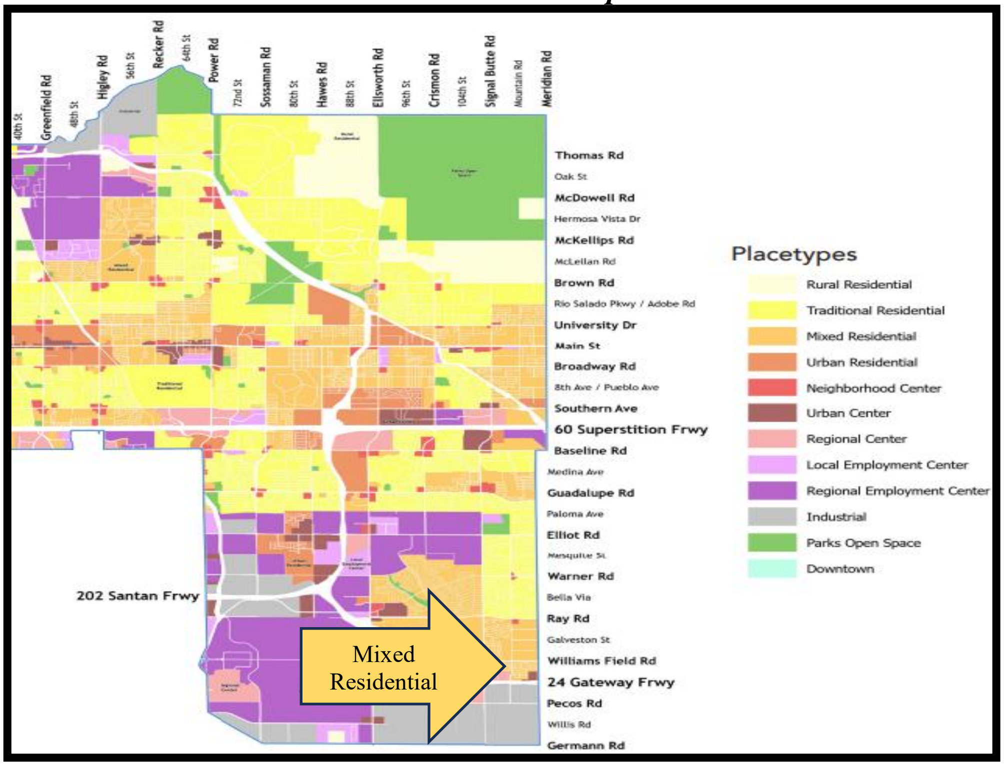
ZONING MAP



General Plan Land Use

The subject property is located within the Mixed Residential land use in the City of Mesa's General Plan. This land use is primarily a residential use area that allows single-family and multi-family up to 30 units per acre. Limited supportive land uses that include eating and drinking establishments, small-scale offices, retail, and personal service uses are legally allowable uses. The following map represents the subject's land use.

General Plan Map



Probability of Rezoning

The subject property is located within a low-intensity agricultural zoning district. Due to the subject's location within a more intensive land use in the general plan, a knowledgable buyer would consider the likelihood of rezoning the subject to a use allowable in the general plan. We have relied on the following text in our consideration of rezoning the subject property.

Definition - Probability of Rezoning

> *"The general rule is that present market value must ordinarily be determined by consideration only of the uses for which the land "is adapted and for which it is available." The exception to this general rule is that if the land is not presently available for a particular use by reason of a zoning ordinance or other restriction imposed by law, but the evidence tends to show a "reasonable probability of a change in the near future" in the zoning ordinance or other restriction, then the effect of such probability upon the minds of purchasers generally may be taken into consideration in fixing present market value."*[13]

Ms. Mia Lozano, City of Mesa Planner, was interviewed regarding the likelihood of rezoning the subject property to a more intensive use. According to Ms. Lozano, in order to

[13] *Martens V. State, Real Estate Valuation in Litigation 2nd. Edition, page 142, Appraisal Institute*

submit a request to rezone the subject a development plan is needed for review. As no development plan for the subject exists, Ms. Lozano stated that estimating the likelihood of rezoning the subject to a more intensive use is not possible.

While City of Mesa planning officials were unable to provide insight into the subject's rezoning, market data is considered in determining the subject's probability of rezoning. The parcels adjacent to the subject have recently undergone rezoning. These rezonign cases are outlined below.

Parcel 304-37-589

Maricopa Assessor's Parcel 304-37-589 is located adjacent north of the subject property. This parcel is a portion of a larger development that consists of approximately 251 acres and includes multiple parcels. On June 18, 2018, this parcel was rezoned from AG, Agricultural to PAD, Planned Area Development by the City of Mesa and recorded under Ordinance 5450 and rezoning case ZON17-00247. This PAD zoning allows for 236 acres of intensive single-family residential development and 15 acres of commercial development. This parcel indicates that the City of Mesa allows more intensive residential and commercial zoning in the subject's immediate area.

Parcel 304-34-057F

Maricopa Assessor's Parcel 304-34-057F is located adjacent east of the subject property. This 28 acres of vacant land is a masterplanned community that will primarely consist of single-family residences. This parcels rezoning, case ZON25-00283, is currently in review and has not been approved. The property owner, The Cubes at Meridian 24 LLC, is a knowledgeable developer who wouldn't undertake a rezoning project unless they thought their rezoning request would be approved. This parcel indicates that investors believe the City of Mesa would allow more intensive residential and commercial zoning in the subject's immediate area.

Parcel 304-34-035H

Maricopa Assessor's Parcel 304-34-035 is located adjacent west of the subject property. This parcel is a portion of a larger development that consists of approximately 125 acres and includes multiple parcels. Prior to the property's rezoning, the larger 125-acre development contained several zoning districts that included Ag, Agricultural, RU-43 Residential, LI, Limited Industrial, and GI, General Industrial. On June 17, 2024, the Mesa City Council approved a Planned Area Development overlay. The larger land area is being developed with an auto mall, retail center anchored by a Wal-Mart, and multi-family housing. This parcel indicates that the City of Mesa allows more intensive residential and commercial zoning in the subject's immediate area.

Rezoning Conclusion

Based on the aformentioned data, it is reasonable to assume the subject property would receive approval to be rezoned to a more intensive use. The area immediately surrounding the subject is largely developed or being developed with commercial and high density single-family residential uses. Due to the subject's restrictive site shape, residential development is not the most feasible use. Rezoning the property with an industrial use is not likely due to the residential development adjacent north of the subject. Industrial uses are not considered compatable with residential uses. Thus, these zoning districts are not considered in our rezoning analysis.

Due to the smaller site size, the subject would be best suited for a NC, Neighborhood Commercial use. Thus, this appraisal assumes the subject property would receive approval to be rezoned to NC, Neighborhood Commercial.

NC, Neighborhood Commercial Zoning District

The NC, Neighborhood Commercial zoning district in the City of Mesa serves small-scale retail and service uses compatible with surrounding residential neighborhoods. Permitted uses include but are not limited to: convenience stores, small offices, personal services, restaurants without drive-throughs, and limited medical clinics, while accessory uses like signage and parking follow district standards. Conditional uses, requiring Zoning Administrator or Board approval, encompass drive-through facilities, larger retail exceeding 10,000 sq ft per store, group developments up to 50,000 sq ft aggregate, daycare centers, and certain group homes with spacing buffers of 1,200 feet from residences unless separated by arterials or parks. Development restrictions limit maximum building height to 24 feet or one story unless PAD-approved. Setbacks include 20 feet front setbacks with landscape buffers, side/rear yards of 10 to 20 feet adjacent to residences. Lot coverage allows up to 70% developed.

City of Mesa Rezoning Fees

According to the City of Mesa Schedule of Fees and Charges[14], there are fees associated with rezoning properties. Based on the rezoning of nearby properties, the process of rezoning would likely take 6 to 18 months. The fees relevant to the subject's rezoning are

[14] https://www.mesaaz.gov/Government/Management-Budget/Citywide-Fees-Charges

outlined as follows. Full entitlements including plat approval, and development permits are not considered as this is considered superior to the unentitled land sales used in our Sales Comparison Approach.

Application Fees	**$2,991**
Rezoning Fee	**$2,400**
TOTAL	**$5,391**

Conclusion

Based on the aformentioned analysis, it is reasonable to assume the subject property could be purchased to be rezoned to NC, Neighborhood Commercial zoning district. This zoning would allow the subject property to be utilized with a low intensity commercial use. The rezoning process is estimated to take approximately 12 months and incur approximately $5,391 in rezoning fees.

ASSESSED VALUATION & REAL ESTATE TAXES

The subject property is exempt from real estate taxes due to its ownership by the State of Arizona. The 2026 real estate tax data for the appraised property is derived from the Maricopa County Assessor's records. The following valuations represent the subject's entire parcel, of which the subject is only a portion.

2026 ASSESSED VALUE & TAX DATA					
ADOT Parcel	APN	Full Cash Value	Limited Cash Value	Assessed Value	Tax Amount
L-C-177	304-34-926	$3,189,100	$729,118	$0	Exempt

HIGHEST AND BEST USE

According to *The Appraisal of Real Estate, 15th Edition*, published by the Appraisal Institute, highest and best use is defined as:

> The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

The highest and best use of the property as vacant and as improved must meet four criteria. The highest and best use must be:

1) ***Legally Permissible:*** What uses are permitted by zoning, private restrictions, historic districts, and environmental regulations on the site?

2) ***Physically Possible:*** Based on the physical characteristics of the site, what uses are physically possible?

3) ***Financially Feasible:*** Which uses meeting the first two criteria will produce a positive return to the owner of the site?

4) ***Maximally Productive:*** Among the feasible uses, which use will produce the highest price, or value, consistent with the rate of return warranted by the market? This use is the highest and best use.

The four tests above are applied to the appraised property in the following paragraphs.

AS VACANT

Legally Permissible

The subject property is located in the AG, Agricultural zoning district in the City of Mesa. This zoning district is intended to support low-density residential and agricultural uses that preserve the rural character of the area. As discussed in the Zoning section, it is likely that the subject property would be purchased for and receive approval to be rezoned to NC, Neighborhood Commercial in the City of Mesa. The NC zoning district allows for small scale commercial uses that are compatible with the surrounding residential neighborhoods. Permitted uses include but are not limited to: convenience stores, small offices, personal services, restaurants without drive-throughs, and limited medical clinics.

Physically Possible

The subject is 3.33 acres of vacant land. It has vehicular access along the western property boundary from South Mountain Road. All utilities are developed to the lot line and the property is located outside of a floodplain. The property has an approximate width of 132 linear feet which limits its development potential. As described in the Site Analysis, intensive residential development is not feasible due to the narrow shape. The property is large enough and has enough depth to physically allow for a small-scale commercial use or low-density residential development.

Financially Feasible

The financially feasible use for the property is that use which is legally permissible, physically possible and is financially feasible. The subject property is located in a growing market with several new developments occurring within the immediate vicinity. Population growth, sales prices, and growing rent rates support new commercial and residential development. In the current market, it is feasible to develop the subject with a commercial or low-density residential use.

Maximally Productive

The maximally productive use is one that generates the greatest return on investment. In the subject's market, commercial development provides a greater return to the investor compared to low-density residential development. Thus, the maximally productive use of the subject is for a commercial use.

Conclusion – Highest and Best Use as Vacant:

Given the land use regulations, location and physical characteristics, the highest and best use, as if vacant, is for the development of a commercial use.

LAND VALUATION

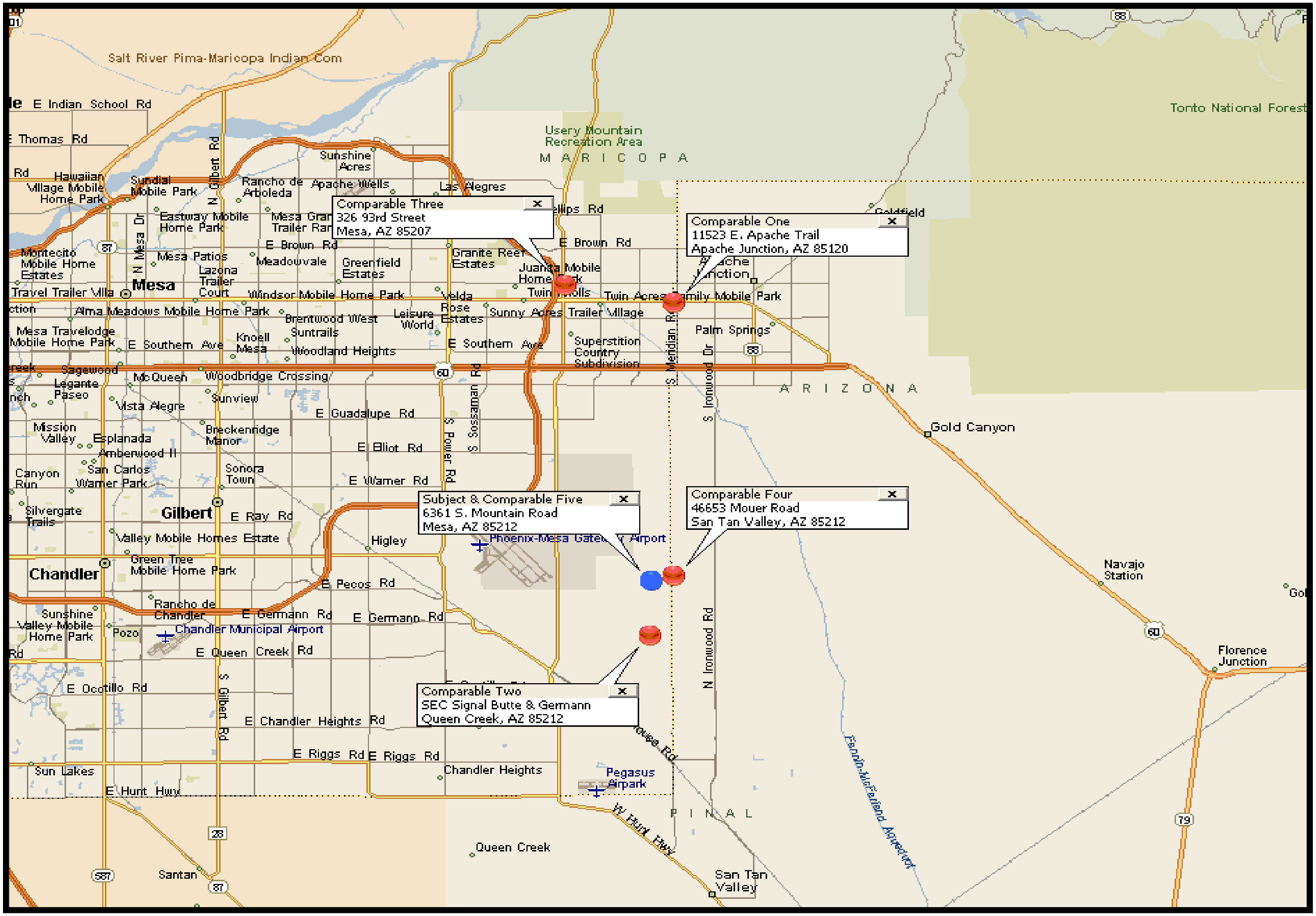
The Sales Comparison Approach is used to provide a market value opinion for the subject as vacant land. This approach applies the principle of substitution which affirms that when a property can be replaced, its value tends to be set by the cost of acquiring an equally desirable substitute property without undue or costly delay.

Adjustments are made to the comparable sales based on the following elements of comparison: property rights conveyed, financing terms, conditions of sale, market conditions or date of sale, location, physical characteristics and zoning/intended use. The sale price per square is the appropriate unit of comparison for the analyses. This is derived by dividing the sale price by the total square footage of the site.

Search parameters for comparable land sales focused on land sales that are similar in size and potential use. Our search focused on development restricted land sales that were purchased for a commercial use. There is limited sales data of commercial use properties with a narrow site shape in the subject's market area. Due to this, we have included some land sales from outside of the subject's immediate area and have made price adjustments to account for their differing locations. Additionally, sales within the subject's market area that were purchased for a non-commercial use are included. The market data that is included in the analysis is considered to be the best available and provides a credible opinion of value.

A location map showing the comparable sales relative to the subject and individual sale data sheets with photographs of the sales and parcel maps are presented on the following pages. The adjustment matrix follows the land value analysis.

COMPARABLE LAND SALES MAP


Comparable Three
326 93rd Street
Mesa, AZ 85207
Comparable One
11523 E. Apache Trail
Apache Junction, AZ 85120
Subject & Comparable Five
6361 S. Mountain Road
Mesa, AZ 85212
Comparable Four
46653 Mouer Road
San Tan Valley, AZ 85212
Comparable Two
SEC Signal Butte & Germann
Queen Creek, AZ 85212

COMPARABLE LAND SALE

COMPARABLE:	LAND COMP 1
LOCATION:	11523 E. Apache Trail, Apache Junction, AZ 85120
TAX CODE NUMBER(S):	220-67-021A
RECORDS:	
Instrument:	Warranty Deed
Date Recorded:	March 10, 2025
Sale Date:	October, 2024
Deed Recording No:	2025-0128666
SELLER:	Goldfield Storage LLC
BUYER:	Royal Landscaping LLC
SALE PRICE:	$950,000
INTEREST CONVEYED:	Fee Simple
TERMS:	$190,000 Cash Down-Seller Carryback
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	186,721
LAND AREA IN ACRES.	4.29
LAND PRICE PER SQ. FT:	$5.09
LAND PRICE PER ACRE:	$221,625
PHYSICAL DESCRIPTION	
Location:	Below Average
Access / Visibility:	Average / Average
Traffic Count (VPD):	8,392, ADOT 2024
Topography/Shape:	Level / Irregular-Slightly Restrictive
Utilities:	All Available to Site
Site Improvements:	None
Flood Plain:	Zone X
ZONING / PLANNED USE:	25% C-3, Commercial and 75% R1-8, Residential / Landscaping Company
THREE YEAR HISTORY:	No Prior Sales
MARKETING TIME:	~15 Months
CONFIRMED WITH:	Nicky Hughes, Listing Broker, MLS, CoStar, and Affidavit of Value

COMMENTS:

This comparable represents the sale of 4.29 acres of vacant land. The seller had obtained entitlements to develop a self-storage facility on the property. These entitlements transferred with the property. Although, the buyer does not plan to develop the property with this use and the entitlements do not contribute value to the purchase price. The site's irregular shape is slightly restrictive to its development. Approximately 25% of the site is commercially zoned with the remainder located in a residential zoning district. The small area of intensive C-3 zoning does not benefit the site due to its small size. The listing broker reported no unusual circumstances impacted the purchase price, including the seller carryback loan.

COMPARABLE LAND SALE

COMPARABLE:	LAND COMP 2
LOCATION:	SEC of Signal Butte Road & Germann Road, Queen Creek, AZ 85212
TAX CODE NUMBER(S):	304-63-025A
RECORDS:	
Instrument:	Special Warranty Deed
Date Recorded:	June 25, 2025
Sale Date:	February, 2025
Deed Recording No:	2025-0366664
SELLER:	Barney Farms I LLC
BUYER:	San Tan Montessori School, Inc
SALE PRICE:	$3,251,925
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Arm's-Length-Assemblage
LAND AREA IN SQ. FT.	435,600
LAND AREA IN ACRES.	10.00
SALE PRICE PER SQ. FT:	$7.47
SALE PRICE PER ACRE:	$325,193
PHYSICAL DESCRIPTION	
Location:	Average
Access / Visibility:	Above Average / Above Average
Traffic Count (VPD):	28,769, ADOT 2024
Topography/Shape:	Level / Irregular
Utilities:	All Available to Site
Site Improvements:	None
Flood Plain:	Zone X
ZONING / PLANNED USE:	EMP A, Employment / Charter School
THREE YEAR HISTORY:	No Prior Sales
MARKETING TIME:	Not Disclosed
CONFIRMED WITH:	Lance Umble, Listing Agent, CoStar, and Affidavit of Value

COMMENTS:

This sale represents 10 acres of undeveloped land. The buyer owned the adjacent land and purchased the comparable to assemble for the development of San Tan Montessori School. After the purchase, the property's parcel number was changed to 304-63-025G. The property's corner location provides exposure to traffic along Germann Road and Signal Butte Road. The surrounding area is developed with industrial uses and agricultural use land. Residential development is located south and new developments are growing north, towards the comparable's property.

COMPARABLE LAND SALE

COMPARABLE:	LAND COMP 3
LOCATION:	326 93rd Street, Mesa, AZ 85207
TAX CODE NUMBER(S):	220-25-002K
RECORDS:	
Instrument:	Warranty Deed
Date Recorded:	October 21, 2025
Sale Date:	October, 2025
Affidavit of Fee No:	2025-0608118
SELLER:	Keith Ryan Price
BUYER:	James and Diane Gloria
SALE PRICE:	$235,000
INTEREST CONVEYED:	Fee Simple W/Restrictive Public Utility Easement
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	63,598
LAND AREA IN ACRES.	1.46
LAND PRICE PER SQ. FT:	$3.70
LAND PRICE PER ACRE:	$160,958
PHYSICAL DESCRIPTION	
Location:	Below Average
Access / Visibility:	Above Average / Average
Traffic Count (VPD):	8,717, ADOT 2024
Topography/Shape:	Level / Irregular-Slightly Restrictive
Utilities:	All Available to Site
Site Improvements:	Masonry Wall W/ Entry Gates
Flood Plain:	Zone X
ZONING / PLANNED USE:	LC, Limited Commercial / Commercial Equipment Storage
THREE YEAR HISTORY:	No Prior Sales
MARKETING TIME:	~13 Months
CONFIRMED WITH:	Kimberly Martinez, Buyer's Broker, CoStar, MLS, and Affidavit of Value

COMMENTS:
This comparable represents 1.46 acres of vacant land. The property is encumbered by a public utility easement which houses a powerline tower along the eastern portion of the property. This utility easement restricts development of approximately 20% of the site. According to the buyer's agent, the buyer is a general contractor that does not have any immediate plans to develop the property. Their immediate planned use is for equipment storage for their contractor business. The property is improved with a 8' high masonry wall that secures 1.25 acres of the property. The remaining 0.21-acre is not secured by this wall. The property was originally listed for $425,000 and the price was reduced due to its development restrictions.

COMPARABLE LAND SALE

COMPARABLE:	LAND COMP 4
LOCATION:	46653 Moeur Road, San Tan Valley, AZ 85212
TAX CODE NUMBER(S):	104-08-0100
RECORDS:	
Instrument:	Special Warranty Deed
Date Recorded:	December 5, 2025
Sale Date:	August, 2025
Deed Recording No:	2025-098088
SELLER:	Douglas Taylor
BUYER:	Focus Church
SALE PRICE:	$990,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Cash to Seller
CONDITIONS OF SALE:	Arm's-Length
LAND AREA IN SQ. FT.	102,095
LAND AREA IN ACRES.	2.34
LAND PRICE PER SQ. FT:	$9.70
LAND PRICE PER ACRE:	$422,395
PHYSICAL DESCRIPTION	
Location:	Average
Access / Visibility:	Good / Above Average
Traffic Count (VPD):	Not Recorded, Assumed Minimal
Topography/Shape:	Level / Irregular
Utilities:	All Available to Site
Site Improvements:	None
Flood Plain:	Zone X
ZONING / PLANNED USE:	GR, General Rural / Place of Worship
THREE YEAR HISTORY:	No Prior Sales
MARKETING TIME:	11 Months
CONFIRMED WITH:	CoStar, MLS, Public Records, and Affidavit of Value

COMMENTS:

This comparable represents the sale of 2.34 acres of vacant land. The property is located just north of State Route 24 at the Meridian Road interchange. While the interchange is not currently developed to the subject, it is in the process of being constructed. The property was marketed with this future interchange benefitting the property's access. West of the property is substantial residential development. East of the property is large tracts of undeveloped land. The comparable is within the path of future development. Multiple unsuccessful attempts were made to contact a party related to the sale. Based on public records and published information, the transaction is an arm's-length deal. The buyer is a religious institution which indicates the property will be developed with a place of worship.

COMPARABLE LAND LISTING

COMPARABLE:	LAND COMP 5
LOCATION:	6361 S. Mountain Road, Mesa, AZ 85212
TAX CODE NUMBER(S):	Portion of 304-34-926
RECORDS:	
Listing Status:	Active
List Date:	March 10, 2025
Listing Agent:	Robert Jeffrey, ADOT Sales Agent
SELLER:	State of Arizona
BUYER:	N/A
LIST PRICE:	$808,000
INTEREST CONVEYED:	Fee Simple
TERMS:	Assumed Cash to Seller
CONDITIONS OF SALE:	Active Listing
LAND AREA IN SQ. FT.	144,970
LAND AREA IN ACRES.	3.33
LIST PRICE PER SQ. FT:	$5.57
LIST PRICE PER ACRE:	$242,785
PHYSICAL DESCRIPTION	
Location:	Average
Access / Visibility:	Average / Below Average
Traffic Count (VPD):	1,942, 2024 ADOT
Topography/Shape:	Level / Rectangular-Restrictive
Utilities:	All Available to Site
Site Improvements:	None
Flood Plain:	Zone X
ZONING / PLANNED USE:	AG, Agricultural / Assumed Commercial
THREE YEAR HISTORY:	No Prior Sales
MARKETING TIME:	~11 Months
CONFIRMED WITH:	Robert Jeffrey, Listing Agent, CoStar, and Public Records

COMMENTS:

This comparable represents the subject property current listing. The subject property was first listed for sale on March 10, 2025 for $1,050,000. On July 24, 2025, the list price was reduced to $899,000 and further reduced to $808,000 on September 8, 2025. During this marketing period, the property only received interest from a billboard company. Once the City of Mesa rejected the site for a billboard use, the potential buyer pulled out of the deal. No other offers have been received to purchase the property. According to the listing agent, there has been nominal interest due to the site's narrow width.

LAND VALUATION ANALYSIS

Quantitative adjustments have been considered for elements of comparison including property rights conveyed, financing terms, conditions of sale, and date of sale, location, and physical characteristics, zoning/planned use. A tabulation of these comparable sales follows.

SUMMARY OF LAND COMPARABLES								
LAND COMP	SALE DATE	PROPERTY LOCATION	LAND SALE PRICE	GROSS ACRES	LAND AREA (SF)	PRICE PER ACRE	PRICE PER SF	ZONING / PLANNED USE
1	03/10/25	11523 E. Apache Trail, Apache Junction, AZ 85120	$950,000	4.29	186,721	$221,625	$5.09	25% C-3, Commercial and 75% R1-8, Residential / Landscaping Company
2	06/25/25	SEC of Signal Butte Road & Germann Road, Queen Creek, AZ 85212	$3,251,925	10.00	435,600	$325,193	$7.47	EMP A, Employment / Charter School
3	10/21/25	326 93rd Street, Mesa, AZ 85207	$235,000	1.46	63,598	$160,958	$3.70	LC, Limited Commercial / Commercial Equipment Storage
4	12/05/25	46653 Moeur Road, San Tan Valley, AZ 85212	$990,000	2.34	102,095	$422,395	$9.70	GR, General Rural / Place of Worship
5	03/10/25	6361 S. Mountain Road, Mesa, AZ 85212	$808,000	3.33	144,970	$242,785	$5.57	AG, Agricultural / Assumed Commercial
SUBJECT	---	6361 S. Mountain Road, Mesa, AZ 85212	---	3.33	144,970	---	---	Assumed Rezone to NC, Neighborhood Commercial / Assumed Commercial

Property Rights Conveyed:

Comparables One, Two, Four, and Five transfer the fee simple estate. The fee simple interest in the subject property is conveyed. Price adjustments are unnecessary.

Comparable Three transfers the fee simple interest that is restricted by a public utility easement. The comparable has a power line tower developed on the property which limits the development of approximately 20% of the total site. This restriction reduced the sale price of the property. Thus, an upward price adjustment is made as the subject property is not encumbered by a similar easement.

Financing Terms:

Comparable One was purchased with $190,000 cash down and a seller carryback loan for the remainder. According to the broker, there were no unusual circumstances that impacted the sale price. The market rate carryback loan did not impact the sale price and no price adjustment is warranted.

Comparables Two, Three, Four, and Five are or are assumed to be cash to the seller. No price adjustments are necessary.

Conditions of Sale:

Adjustments for conditions of sale consider any atypical conditions that surrounded the negotiations of the sales. Examples include a seller under duress, an adjacent property purchase or the lack of a sales commission.

Comparables One, Three, and Four are arm's-length transactions that do not require price adjustments.

Comparable Two was purchased by an adjacent property owner. They purchased the property for assemblage as part of their planned development. Due to this, a downward price adjustment is made.

Comparable Five is an active listing. According to the listing agent, there has been minimal interest to purchase the property at its current price. Based on the lack of activity, it is reasonable to assume the property is priced above its market value. A downward price adjustment is made to account for this.

Market Conditions:

The transaction dates for the sales are from March, 2025 to actively listed for sale. The effective date of this appraisal is January 13, 2026. As described in the Market Analysis, a 5% annual market condition adjustment is made from the comparable sales' sale dates to the effective date of value.

Comparables One, Two, and Three are adjusted upward for improving market conditions. Comparable Sale Four is a recent transaction and Comparable Five is an active listing and do not require price adjustments.

Location/Access/Visibility

The location, access, and visibility information for the subject and comparables is outlined in the following chart. Location demographics include population, median household income, annual household consumer spending, and adjacent uses are used to consider location. Access and visibility characteristics include the roadway(s) and traffic counts.

PROPERTY CHARACTERISTICS						
Category	**Subject**	**Comp 1**	**Comp 2**	**Comp 3**	**Comp 4**	**Comp 5**
Population*	15,425	46,059	7,820	48,589	13,554	15,425
Median Household Income*	$131,652	$58,924	$126,539	$57,695	$133,011	$131,652
Annual Household Consumer Spending*	$46,514	$29,803	$45,967	$31,022	$45,663	$46,514
Adjacent Uses	Commercial and Residential	Residential and Commercial	Vacant land, Industrial and Residential	Commercial and Residential	Commercial and Residential	Commercial and Residential
Access	Two-Lane Collector Roadway	Median Divided, Six-Lane Arterial Roadway	Corner Site With Three-Lane Collector Roadways	Median Divided, Four-Lane Collector Roadway	Two-Lane Secondary Roadway. Future Interchange Access	Two-Lane Collector Roadway
Traffic Counts	1,942 V.P.D. ADOT 2024	8,392 V.P.D. ADOT 2024	28,796 V.P.D. ADOT 2024	8,717 V.P.D. ADOT 2024	Not Recorded, Assumed Minimal	1,942 V.P.D. ADOT 2024
*2024 Annual Data is From CoStar Within a 2-Mile Radius						

The subject property is located just north of State Route 24, which is also referred to as Gateway Freeway. The surrounding area is improved with residential subdivisions to the north. A commercial center that includes a Wal Mart is currently being constructed adjacent west of the property. Within a two-mile radius, there are 15,425 residents with a median household income of $131,652. The economic characteristics of the surrounding population base is a benefit to the subject. While the surrounding area contains several planned residential developments, the limited population base reduces the property's demand. Overall, the subject's location is considered average.

Access to the subject property is from a two-lane, urban collector road. While the property is adjacent to a State Route, the property is not served by an interchange. The subject property has a mid-block location with exposure to 1,942 vehicles per day. Overall, the subject's access is average and visibility is below average.

Comparable Sale One is located approximately 10 miles north of the subject property. The surrounding area is more densely developed with a superior population base. The economic characteristics are inferior with inferior income and spending levels for commercial uses. The surrounding residential development largely consists of mobile homes which are of inferior quality compared to the subject's residential developments. Overall, the comparable's location is considered below average. An upward price adjustment is made.

Comparable Sale One is mid-block accessed from a median divided, six-lane arterial roadway. The property has direct frontage along Apache Trail with exposure to 8,392 vehicles per day. The property's access is considered average, similar to the subject and no price adjustment is made. The property's visibility is also considered average, superior to the subject. A downward price adjustment is made. Overall, an upward price adjustment is made as location is a more prominent characteristic.

Comparable Sale Two is located approximately 3 miles southwest of the subject property. The surrounding area has a slightly inferior population base, comparable income levels, and similar consumer spending levels compared to the subject. The area is currently being developed with residential subdivisions and contains several industrial uses. Overall, the comparable sale's location is considered average, similar to the subject. No price adjustment is warranted.

Comparable Sale Two is corner located with access from three-lane major collector roadways. The property's access from two roadways is considered above average, superior to the subject. A downward price adjustment is made for access. Traffic and visibility near the comparable are superior to the subject property. A downward price adjustment is warranted for visibility.

Comparable Sale Three is located approximately 12 miles northwest of the subject property. The surrounding area is more densely developed with a superior population base. The economic characteristics are inferior with inferior income and spending levels for commercial uses. The area is largely developed with residential and commercial uses. The surrounding residential development largely consists of mobile homes which are of inferior quality compared to the subject's residential developments. Overall, the comparable's location is considered below average, inferior to the subject. An upward price adjustment is made.

Comparable Sale Three is mid-block with frontage along Ellsworth Road. This is a median divided, four-lane collector roadway. Additional access is available from 93rd Street, which is a two-lane residential street. The site is located near a State Route 202 interchange. Overall, the access is considered above average, superior to the subject. A downward price adjustment is made. The property has exposure to 8,717 vehicles per day along Ellsworth Road. The property's exposure is considered average, superior to the subject. A downward price adjustment is made. Overall, no price adjustment is warranted as the inferior location and superior access and exposure balance out any price adjustment.

Comparable Sale Four is located approximately 0.3-mile northeast of the subject property. Due to property's close proximity, they share the same economic characteristics. The comparable's location is average, similar to the subject. No price adjustment is made.

Comparable Sale Four is mid-block located with frontage on Meridian Road. This two-lane roadway currently dead-ends at the property. The comparable was marketed for and purchased as a future State Route 24 interchange site. The development of an interchange that serves the property is currently planned and will be developed in the foreseeable future. Due to this, the buyer accounted for this access in their purchase price. While the current access is considered below average, the planned development of an interchange will provide good access to the site. Thus, the comparable's access is considered good, superior to the subject. A downward price adjustment is made. The property currently has unrecorded traffic counts which are assumed to be minimal. The development of the interchange will provide above average visibility to the property. This is superior to the subject and a downward price adjustment is made.

Comparable Five is the active listing of the subject property. No price adjustments are warranted for location, access or visibility.

PHYSICAL CHARACTERISTICS

Site Size:

Assuming all other things are equal a larger property usually sells for a lower price per acre than a smaller property due to economies of scale. This is because smaller properties typically have a larger number of potential buyers than a larger property and because the holding cost to the developer of a larger parcel is greater due to the extended timeline to develop a larger site area. The subject property contains 144,970 square feet of land. The comparable sales range from 46,444 square feet to 435,600 square feet of land.

None of the sales included in this analysis provide paired-sale evidence to support adjustments for differences in size. Due to this, land sales of all property types over the last 3-year period in the subject's submarket were analyzed to extract a site size adjustment. According to CoStar, land sales ranging from 1 to 2 acres had a median sale price of $16.01 per square foot, 2 to 3 acres had a median sale price of $18.57 per square foot, 3 to 5 acres had a median sales price of $14.75 per square foot, and 8 to 10 acres had a median sale price of $14.58 per square foot. Based on the aforementioned data, land sales over 3 acres have the largest economies of scale present, although they are minimal. This is used as the basis for our site size adjustments.

Comparables One, Three, Four, and Five are similar in size where economies of scale are not present. No price adjustments are made.

Comparable Two is larger than the subject with economies of scale present. An upward price adjustment is made.

Topography and Shape:

The subject property has level topography which is easily developable. The site is rectangular in shape with a narrow width of approximately 132 linear feet. This narrow width reduces the property's utility and restricts the property's development with intensive commercial and residential uses. The shape does allow for smaller commercial uses. According to Robert Jeffrey, sales agent, the primary complaint from potential buyers is the subject's narrow site shape.

Due to the lack of paired sales, the subject's original list price of $1,050,000 or $7.24 per square foot is compared to Comparable Four's $9.70 per square foot sale price. The subject's current list price is not considered as the property has not had sufficient marketing time at the $808,000 or $5.57 per square foot list price. The primary difference between these properties is their shape. Comparable Four sold for approximately 34% more than the subject's original list price. This is used as the basis for our price adjustments. A reduced-price adjustment is made to account for Comparable Four's future location at an interchange, which is superior to the subject.

Comparables One, Two, Three, and Four have superior site shape that is less restrictive compared to the subject. Downward price adjustments are made. A reduced downward price adjustment is made to Comparables One and Three which have a slightly restrictive shape.

Comparable Five is the active listing of the subject property. No price adjustment is warranted.

Utilities:

Availability of utilities can increase vacant land value by enabling immediate development, reducing buyer costs for infrastructure extensions, and reducing the timeline of development. This makes the land more attractive to developers and buyers, accelerating sales and supporting higher market prices. All utilities are available to the subject's westernmost property line.

All the comparables have utilities available to their lot line. No price adjustments are warranted.

Site Improvements:

Site improvements contribute to land value by providing contributory value through enhancements that improve utility, accessibility, and marketability for the property's highest and best use. Improvements that do not contribute to the highest and best use of a property typically must be removed and can reduce the value. The subject property does not contain any site improvements that contribute value to the site.

Comparables One, Two, Four, and Five are undeveloped land with no site improvements, like the subject. No price adjustments are warranted.

Comparable Three is improved with a masonry wall that borders most of the property. Approximately 0.21-acre of land is outside of the walled area and creates functional obsolescence for this area of land. According to Marshall Valuation, the base cost to construct a masonry wall new is $17 per square foot. As the buyer will utilize these improvements, a downward price adjustment is warranted. A reduced-price adjustment is made to account for physical and functional obsolescence.

Floodplain:

As discussed in the Site Analysis, the subject property is in Zone X, outside of the floodplain. All the comparables are located outside of the floodplain. Thus, no price adjustments are warranted.

Zoning/Potential Use:

The subject is located in the AG, Agricultural zoning district in the City of Mesa. As discussed in the Zoning section, it is probable that the subject would receive approval to be rezoned to NC, Neighborhood Commercial zoning district in the City of Mesa. This zoning district allows for small-scale commercial uses that serve the surrounding neighborhood. The estimated fees to rezone the property are estimated to cost $5,391 and take approximately 12 months. The subject's highest and best use is for the development of a commercial use. The time and cost to rezone the subject property are used as a basis for our price adjustments.

Comparable One is located within two zoning districts. Approximately 25% of the site is located within the C-3, Commercial zoning district and the remaining 75% is located within the R1-8, Residential zoning district. In order to develop the property with a commercial use, the residential land area would need to be rezoned, similar to the subject. The C-3, Commercial zoned land is superior to the subject as it allows for more intensive uses. A downward price adjustment is made to account for the comparables superior zoning.

Comparable Two is located within the EMP A, Employment zoning district. This district allows for industrial and more intensive commercial uses which are superior compared to the subject’s NC zoning. A downward price adjustment is made for the more intensive zoning and cost and time of rezoning the subject.

Comparable Three is located in the LC, Limited Commercial zoning district. This zoning allows for uses that are comparable to the subject as rezoned to NC, Neighborhood Commercial. As the comparable does not have to be rezoned, a downward price adjustment is made for the time and cost of rezoning.

Comparable Four is located in the GR, General Rural zoning district. This zoning allows for low-density residential development. The buyer purchased the property to develop a place of worship. This is an allowable use within the GR zoning district. Since the comparable does not have to be rezoned, it is superior to the subject. A downward price adjustment is made.

Comparable Five is the active listing of the subject property. No price adjustment is warranted.

The Land Sales Adjustment Matrix follows which summarizes the adjustments as they apply to the sales.

LAND COMPARABLE ADJUSTMENT MATRIX

	SUBJECT	LAND COMP 1		LAND COMP 2		LAND COMP 3		LAND COMP 4		LAND COMP 5	
ELEMENTS OF COMPARISON	6361 S. Mountain Road, Mesa, AZ 85212	11523 E. Apache Trail, Apache Junction, AZ 85120	Price Per S.F. / Adjustments	SEC of Signal Butte Road & Germann Road, Queen Creek, AZ 85212	Price Per S.F. / Adjustments	326 93rd Street, Mesa, AZ 85207	Price Per S.F. / Adjustments	46653 Moeur Road, San Tan Valley, AZ 85212	Price Per S.F. / Adjustments	6361 S. Mountain Road, Mesa, AZ 85212	Price Per S.F. / Adjustments
SALE PRICE	**N/A**		**$5.09**		**$7.47**		**$3.70**		**$9.70**		**$5.57**
PROPERTTY RIGHTS CONVEYED	Fee Simple	Fee Simple		Fee Simple		Fee Simple W/Restrictive Public Utility Easement		Fee Simple		Fee Simple	
Adjustment		0%	$0.00	0%	$0.00	30%	$1.11	0%	$0.00	0%	$0.00
			$5.09		$7.47		$4.80		$9.70		$5.57
FINANCING TERMS	Assume cash to seller	$190,000 Cash Down-Seller Carryback		Cash to Seller		Cash to Seller		Cash to Seller		Assumed Cash to Seller	
Adjustment		0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00
			$5.09		$7.47		$4.80		$9.70		$5.57
CONDITIONS OF SALE	Assume Arm's -Length	Arm's-Length		Arm's-Length-Assemblage		Arm's-Length		Arm's-Length		Active Listing	
Adjustment		0%	$0.00	-10%	-$0.75	0%	$0.00	0%	$0.00	-12.5%	-$0.70
			$5.09		$6.72		$4.80		$9.70		$4.88
MARKET CONDITIONS (TIME)	January 13, 2025	March 10, 2025		June 25, 2025		October 21, 2025		December 5, 2025		Active Listing	
Adjustment	Date of Value	4%	$0.20	3%	$0.20	1%	$0.05	0%	$0.00	0%	$0.00
ADJUSTED SALE PRICE			**$5.29**		**$6.92**		**$4.85**		**$9.70**		**$4.88**
LOCATION											
General	Average	Below Average		Average		Below Average		Average		Average	
Access / Visibility	Average / Below Average	Average / Average		Above Average / Above Average		Above Average / Average		Good / Above Average		Average / Below Average	
Adjustment		5%	$0.26	-15%	-$1.04	0%	$0.00	-25%	-$2.42	0%	$0.00
PHYSICAL CHARACTERISTICS											
Site Size in Square Feet	144,970	186,721		435,600		63,598		46,444		144,970	
Adjustment		0%	$0.00	10%	$0.69	0%	$0.00	0%	$0.00	0%	$0.00
Topography / Shape	Level / Rectangular-Restrictive	Level / Irregular-Slightly Restrictive		Level / Irregular		Level / Irregular-Slightly Restrictive		Level / Irregular		Level / Rectangular-Restrictive	
Adjustment		-10%	-$0.53	-20%	-$1.38	-10%	-$0.49	-20%	-$1.94	0%	$0.00
Utilities	All Available to Site	All Available to Site		All Available to Site		All Available to Site		All Available to Site		All Available to Site	
Adjustment		0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00
Site Improvements	None	None		None		Masonry Wall W/ Entry Gates		None		None	
Adjustment		0%	$0.00	0%	$0.00	-5%	-$0.24	0%	$0.00	0%	$0.00
Floodplain	Zone X	Zone X		Zone X		Zone X		Zone X		Zone X	
Adjustment		0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00
Zoning / Planned Use	Assumed Rezone to NC, Neighborhood Commercial / Assumed Commercial	25% C-3, Commercial and 75% R1-8, Residential / Landscaping Company		EMP A, Employment / Charter School		LC, Limited Commercial / Commercial Equipment Storage		GR, General Rural / Place of Worship		AG, Agricultural / Assumed Commercial	
Adjustment		-5%	-$0.26	-5%	-$0.35	-2.5%	-$0.12	-5%	-$0.48	0%	$0.00
	ADJUSTED SALE PRICE / S.F.		**$4.76**		**$4.84**		**$4.00**		**$4.85**		**$4.88**

Conclusion:

The unadjusted sale price range from the comparable sales is $3.70 to $9.70 per square foot. After adjustments for the appropriate elements of comparison, the estimated value range for the subject is from $4.00 to $4.88 per square foot. The arithmetic mean is $4.67 with a median price of $4.84 per square foot. Greatest weight is given to the adjusted sale price of Comparables Four and Five. Comparable Four is located near the subject and Comparable Five is the subject property. The other comparables are also considered in our opinion of market value.

Based on the foregoing data and analysis it is our opinion that the market value of the subject property is $4.85 per square foot. This equates to $703,105, which is rounded to $700,000 as shown below.

144,970 square feet X $4.85 Per Square Foot = $703,105

Rounded to $700,000

"AS IS" MARKET VALUE OPINION
FOR THE SUBJECT, ROUNDED...$700,000

EXPOSURE TIME

Based on the marketing times of the comparable sales and current market conditions in the subject's market area, an exposure time of 12 months is estimated, if priced appropriately.

AUDITING BREAKDOWN

Market Value Opinion, Land:	$700,000
Market Value Opinion, Improvements:	$0
Opinion of Market Value:	**$700,000**

CERTIFICATION OF APPRAISER

Project Number: JW-26-010
ADOT Parcel Number: L-C-177

We hereby certify:

That John Medley personally inspected, the property herein appraised, and that we have afforded the property owner the opportunity to accompany us at the time of inspection. John Medley also made a personal field inspection of the comparable sales which we relied upon in making said appraisal. The subject and the comparable sales relied upon in making the appraisal were as represented by the photographs contained in the appraisal.

That we have given consideration to the value of the property the damages and benefits to the remainder, if any; and accept no liability for matters of title or survey. That, to the best of our knowledge and belief, the statements contained in said appraisal are true and the opinions, as expressed therein, are based upon correct information; subject to the limiting conditions therein set forth.

That no hidden or unapparent conditions of the property, subsoil, or structures were found or assumed to exist which would render the subject property more or less valuable; and we assume no responsibility for such conditions, or for engineering which might be required to discover such factors. That, unless otherwise stated in this report, the existence of hazardous material, which may or may not be present in the property, was not observed by myself or acknowledged by the owner. This appraiser, however, is not qualified to detect such substances, the presence of which may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

That our analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

That this appraisal has further been made in conformity with the appropriate State and Federal laws, regulations, and policies and procedures applicable to appraisal of right-of-way for such purposes; and that, to the best of our knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established laws of said State.

That we understand this appraisal may be used in conjunction with the acquisition of right of way for a highway to be constructed by the State of Arizona with the assistance of Federal aid highway funds or other Federal funds.

That neither our employment nor our compensation for making the appraisal and report are in any way contingent upon the values reported herein.

That we have no direct or indirect present or contemplated future personal interest in the property that is the subject of this report, or any benefit from the acquisition of the property appraised herein.

That we have not revealed the findings and results of such appraisal to anyone other than the proper officials of the Arizona Department of Transportation or officials of the Federal Highway Administration, and we will not do so unless so authorized by proper State officials, or until we are required to do so by due process of law, or until we are released from this obligation by having publicly testified as to such findings.

That our opinion of the MARKET VALUE of the subject property as of the 13th day of January, 2026, is $700,000, based upon our independent appraisal and the exercise of our professional judgement.

Steven R. Cole, MAI, SRA, AI-GRS
Certified General Real
Estate Appraiser # 30130

John E. Medley
Certified General Real
Estate Appraiser # 1049989

CERTIFICATION

THE APPRAISER CERTIFIES TO THE BEST OF THEIR KNOWLEDGE AND BELIEF:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.

The reported valuations, assumptions and limiting conditions are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report and no personal interest or bias with respect to the parties involved.

We have not performed services as appraisers regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Our compensation is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the standards and reporting requirements of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

John Medley made a personal inspection of the property that is the subject of this report. Steven Cole, MAI, AI-GRS, did not inspect the property.

No work was performed by any person(s) other than the signing appraisers.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The use of this report is also subject to the requirements of the Arizona Board of Appraisal.

We hereby certify that we are competent to complete the appraisal assignment. The reader is referred to appraisers' Statement of Qualifications.

All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraisers whose signatures appear on the appraisal report, unless indicated as "Review Appraiser".

No change of any item in the appraisal report shall be made by anyone other than the Appraisers, and the Appraisers shall have no responsibility for any such unauthorized change.

As of the date of this report, Steve Cole, MAI, AI-GRS has completed the continuing education program for Designated Members of the Appraisal Institute.

Steven R. Cole, MAI, SRA, AI-GRS
Certified General Real
Estate Appraiser # 30130

John E. Medley
Certified General Real
Estate Appraiser # 1049989

QUALIFICATIONS OF STEVEN R. COLE, MAI, SRA, AI-GRS

FORMAL EDUCATION:

Bachelor of Arts Degree with high honors, University of California, Santa Barbara.

Master’s degree in business administration, University of California, Los Angeles. Concentration: Urban Land Economics.

PROFESSIONAL EDUCATION:

Successful Completion of Examinations for the following courses given by the Appraisal Institute:

“Real Estate Appraisal Principles" and “Basic Valuation Procedures"
"Capitalization Theory & Techniques", Parts 1, 2, and 3
"Case Studies in Real Estate Valuation"
"Introduction to Real Estate Investments Analysis”
“Litigation Valuation”
"Standards of Professional Practice", Part A, B & C
“Market Analysis”
“Review Theory - General”
Attendance at Numerous Educational Seminars:

PROFESSIONAL MEMBERSHIPS:

Member, Appraisal Institute (MAI), Certification Number 6080. The institute conducts a voluntary program of continuing education for its designated members. MAI’s and RM’s who meet the minimum standards of this program are awarded periodic educational certification. As of this date, I have completed the requirements under the continuing education program of the Appraisal Institute. I am currently certified through December 31, 2027.

Senior Residential Appraiser (SRA), of the Appraisal Institute. This designation signifies expertise in the valuation of residential properties of 1 to 4 units.

General Review Specialist (AI-GRS), of the Appraisal Institute. This designation signifies expertise in the review of appraisals of general real estate properties.

EXPERIENCE:

Includes valuation of most types of urban real property: single and multi-family residential, commercial, industrial, and vacant land. Experience also includes special purpose properties, feasibility studies, Fee Simple and leasehold interest, counseling, and appraisal for condemnation since 1975.

ADDITIONAL EDUCATIONAL AND PROFESSIONAL ACTIVITY:

Publication of articles in Professional Journals:
"A New Methodology for Estimating Highest and Best Use",
Real Estate Appraiser and Analyst, Summer, 1987
"
Estimating the Value of Proposed Developments by Discounting
Cash Flow", *Real Estate Review*, Summer, 1988.

Formerly a Certified Instructor with the Appraisal Institute for "Highest and Best Use Applications", "Feasibility Analysis and Highest and Best Use- Nonresidential Properties", and "Principals and Procedures of Real Estate Appraisal".

Associate Faculty, University of Arizona and Pima Community College. Courses offered; "Real Estate Appraisal Principles" and "Basic Valuation Procedures."

Instructor for Tucson Board of Realtors, American Bar Association, Brodsky School of Real Estate, and Hogan School of Real Estate. Appraisal Principles, Appraisal Procedures, Market Analysis. Using the Internet for Due Diligence.

President of Southern Arizona Chapter #116, Appraisal Institute, 1983-84.
President for the Arizona State Chapter #41, Appraisal Institute, 1990.
Chairman, Pima County Real Estate Council, 2003-2004, Director 1989-2007.
Chairman, Tucson Airport Authority Chairman, 2015.
Board of Directors, 2011-2016. Member, Tucson Airport Authority, 2007-2024.
Member of the Arizona Airports Association.

APPROVED APPRAISER:
With many major commercial banks and mortgage companies in Arizona.

STATE CERTIFICATION:
Arizona Certified General Appraiser Number 30130. Currently certified through August 31, 2026.
Licensed Arizona real estate sale person, licensed through April 2026.

ARIZONA FINANCIAL ENTERPRISE CREDENTIAL CERTIFICATE

No: CGA-30130

STEVEN R. COLE

CREDENTIAL TYPE	ISSUE DATE	EFFECTIVE DATE	EXPIRATION DATE
Certified General Appraiser	Aug 15, 1991	Sep 1, 2024	Aug 31, 2026

This certificate was printed on August 5, 2024 and will remain in effect until a change request has been approved by the Department or the credential is surrendered, suspended, revoked or expired.

Arizona Department of Insurance and Financial Institutions
difi.az.gov
100 N 15th Ave, Suite 261
Phoenix, AZ 85007-2630

QUALIFICATIONS OF JOHN E. MEDLEY

FORMAL EDUCATION:

Bachelor of Arts Degree, University of Arizona, Tucson, 2008

PROFESSIONAL EDUCATION:

Successful completion of examinations for the following courses:

- Basic Appraisal Principles and Basic Valuation Procedures
- Residential Market Analysis and Highest and Best Use
- Residential Sales Comparison and Income Approaches
- Residential Site Valuation and Cost Approach
- General Appraiser Market Analysis and Highest and Best Use
- General Appraiser Site Valuation and Cost Approach
- General Appraiser Sales Comparison Approach
- General Appraiser Report Writing and Case Studies
- General Appraiser Income Approach
- Statistics, Modeling and Finance
- Commercial Appraisal Review
- Expert Witness for Commercial Appraisers

EXPERIENCE:

Includes valuation of most types of commercial, industrial, and vacant land properties. Experience also includes condemnation appraisals, aviation properties, special purpose properties, fee simple, leased fee, and leasehold interests.

SEMINARS:

- Condemnation Summit XXXI
- Arizona Airport Association Conferences
- Southern Arizona CCIM Economic Forecasts
- Tucson Association of Realtors Conferences

STATE CERTIFICATION:

Arizona Certified General Real Estate Appraiser Number 1049989. Currently certified through November 30, 2027.

ARIZONA FINANCIAL ENTERPRISE CREDENTIAL CERTIFICATE

No: CGA-1049989

License Status: Active

John Edward Medley

CREDENTIAL TYPE	ISSUE DATE	EFFECTIVE DATE	EXPIRATION DATE
Certified General Appraiser	December 10, 2023	December 1, 2025	November 30, 2027

This certificate was printed on December 2, 2025 and will remain in effect until a change request has been approved by the Department or the credential is surrendered, suspended, revoked or expired.

Arizona Department of Insurance and Financial Institutions
difi.az.gov
100 N 15th Ave, Suite 261
Phoenix, AZ 85007-2630

ADDENDA

ARIZONA
DEPARTMENT OF
TRANSPORTATION

205 S. 17th Ave, MD612E
Phoenix, AZ 85007

KATIE HOBBS
GOVERNOR

JENNIFER TOTH
DIRECTOR

205 S. 17th Ave.
Mail Drop: 612E
Phoenix, AZ 85007

December 14, 2025

Steven Cole
Southwest Appraisal Associates, Inc
P.O. Box 16156
Tucson, AZ. 85732-6156

RE:	Appraisal Assignment No.:	JW-26-010
	PROJECT:	H8915 01R
	HIGHWAY:	GATEWAY FREEWAY
	SECTION:	Ellsworth Road - Ironwood Drive
	PARCEL:	L-C-177

Dear Steven Cole:

You are hereby requested to provide your fee quote to prepare an appraisal for the referenced parcel. Your appraisal report will need to reflect the market value using the current date of valuation, and be prepared in accordance with terms of this task; the ADOT Right of Way Procedures Manual Project Management Section Chapters Three and Four; The Federal Highway Administration (FHWA) Uniform Act, 49 CFR Part 24; the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) guidelines at the time of your valuation; and the enclosed scope of work and provided information.

The purpose of the appraisal report is to estimate the market value of the fee simple estate of the acquisition and its effect to the remaining property. The intended use of the appraisal report is to utilize value estimates to assist in decisions regarding the sale or disposal of this excess parcel.

ADOT Procurement Group will issue a Purchase Order that will be your notice to proceed with the appraisal assignment. You may contact the property owners to arrange for the property inspection after you receive your notice to proceed from procurement. Inspection dates/times must be provided at least seven calendar days prior to inspection to the Property Owner and emailed to Merrisa Marin (MMarin@AZDOT.GOV); Robert Jeffery (RJeffery@azdot.gov): Michael Craig (MCraig@AZDOT.GOV); Tim O'Connell (TOconnell@AZDOT.GOV); Jim Walcutt (JWalcutt@AZDOT.GOV).

Please direct any questions regarding this appraisal assignment to Jim Walcutt, (520-591-7923, JWalcutt@AZDOT.GOV), ADOT R/W Review Appraiser. All changes must be in writing to prevent any miscommunications.

Additional information regarding the parcel is as follows:

Type of Report:	Appraisal
Type of Property:	EXCESS LAND

Scope Notes: Market Value is required for appraisal of this excess property.

The FHWA is to be named as an intended user of the appraisal. The appraisal report must include the ADOT Certificate of Appraiser immediately following the Auditing Breakdown section of the report. The addenda to the report is to include a current copy of the appraiser's State of Arizona Certified General Real Estate Appraiser license, a copy of the owner contact correspondence including Owner Contact Report Form(s), and a copy of the signed procurement purchase order.

Appraisal Contractor agrees that within any particular project wherein Contractor has provided appraisal or consulting services to ADOT, no other appraisal services may be provided to other clients/property owners in this project, without the written approval of ADOT. Any hypothetical assumptions, extraordinary limiting condition or jurisdictional exceptions of the appraisal must be pre-approved by the Review Appraiser prior to submittal of the appraisal report and identified in the appraisal report.

In the course of the appraisal assignment due diligence, if it is discovered that the property ownership has transferred to any entity other than that noted in the ADOT Title report, the Review Appraiser must be notified immediately. A new Title Report and Ownership Record Sheet will then be ordered for inclusion in the appraisal report.

Please note that there are changes to civil expert disclosure and discovery rules effective July 1, 2018. Please update your qualifications in the appraisal report to list all other cases in which you have testified as an expert witness at a hearing or trial during the previous four years.

A complete initial appraisal report in an electronic PDF file format is to be submitted by e-mail to the review appraiser by the appraisal due date. All subsequent appraisal report iterations are also to be e-mailed to the review appraiser. Within 5 business days after ADOT approves the acceptability for the initial report submittal, the Appraiser will deliver an electronic PDF file and four (4) bound color copies of the final report. The submitted final hard copies of the appraisal report are to include, a CD with a PDF copy of the appraisal report with the following naming convention:

ADOT Parcel # Owner Name – (Appraisal Firm Name) – Date of Value - Date of Appraisal Report,
eg; Owner Name - (Appraisal Firm) DOV xx-xx-2020 DOR xx-xx-2020.

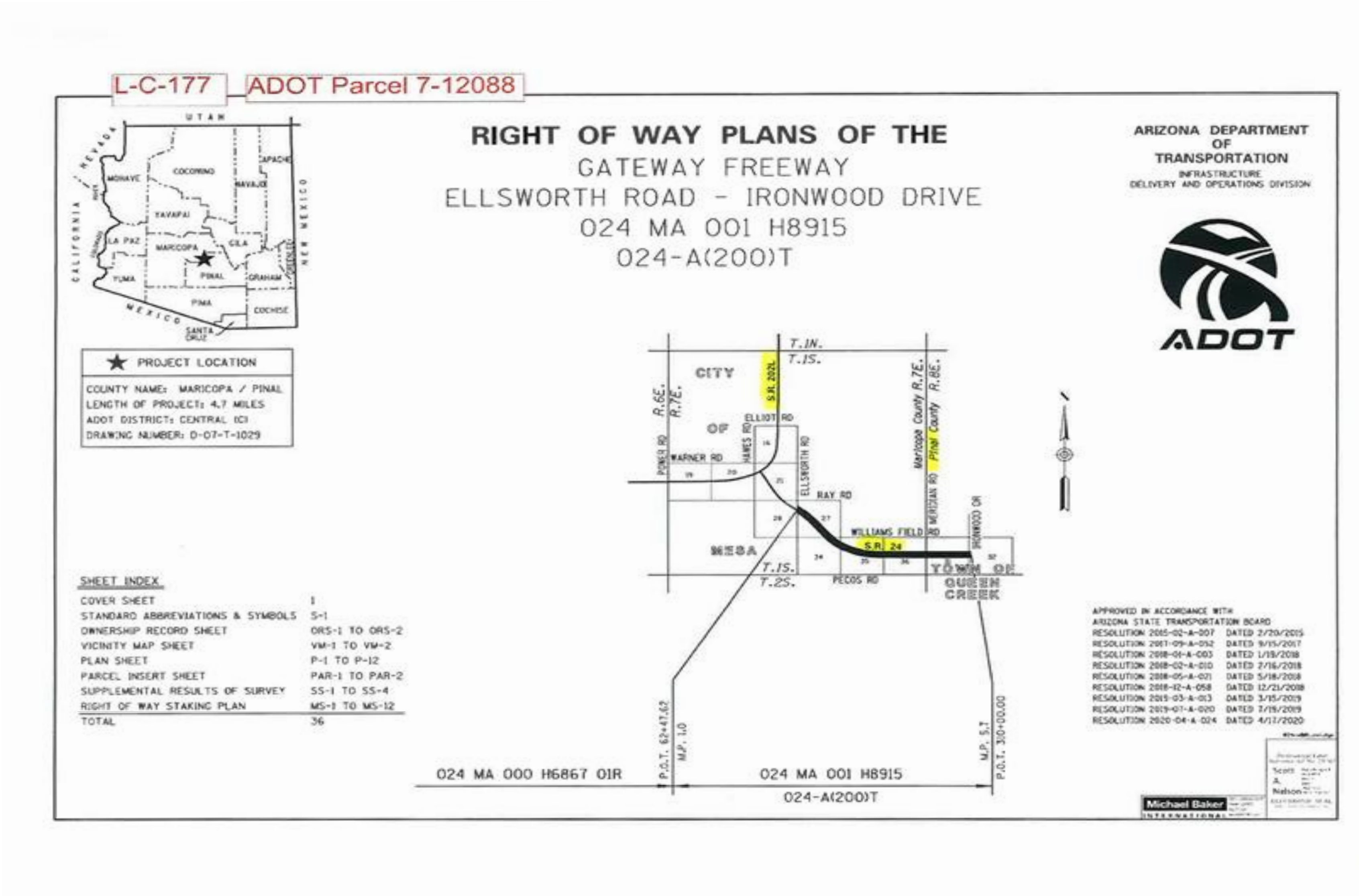
The appraisal report package is to be addressed to ADOT Right of Way Operations - Appraisal, ADOT Mail Room, 1655 W. Jackson Street, Phoenix, AZ 85007. Packages must be marked Time Sensitive or Urgent. If a delivery service is utilized, a confirmation notice is to be e-mailed to the review appraiser.

Please complete the last page of this bid request with your quote and email to RightofWayContracts@azdot.gov no later than 5:00 p.m. on December 15, 2025.

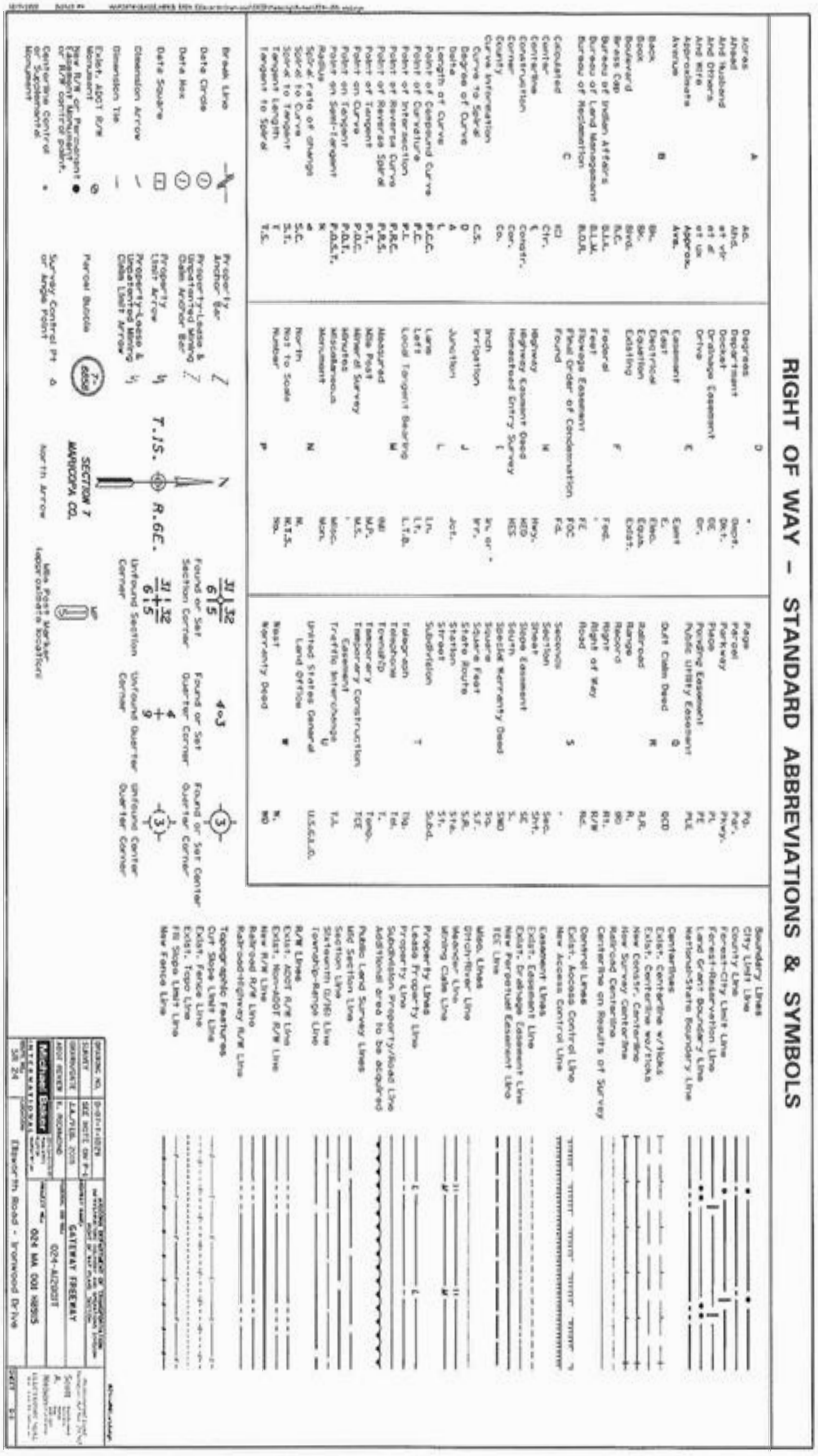
Sincerely,
Jim Walcutt
R/W Project Management Section

Enclosure(s)
cc: Esther Valencia, R/W Contracts Section

ARIZONA DEPARTMENT OF TRANSPORTATION
205 S. 17th Ave. | Phoenix, AZ 85007 | azdot.gov



L-C-177
ADOT Parcel 7-12088
RIGHT OF WAY PLANS OF THE
GATEWAY FREEWAY
ELLSWORTH ROAD - IRONWOOD DRIVE
024 MA 001 H8915
024-A(200)T
ARIZONA DEPARTMENT OF TRANSPORTATION
INFRASTRUCTURE DELIVERY AND OPERATIONS DIVISION
ADOT
PROJECT LOCATION
COUNTY NAME: MARICOPA / PINAL
LENGTH OF PROJECT: 4.7 MILES
ADOT DISTRICT: CENTRAL (C)
DRAWING NUMBER: D-07-T-1029
SHEET INDEX
COVER SHEET 1
STANDARD ABBREVIATIONS & SYMBOLS S-1
OWNERSHIP RECORD SHEET ORS-1 TO ORS-2
VICINITY MAP SHEET VM-1 TO VM-2
PLAN SHEET P-1 TO P-12
PARCEL INSERT SHEET PAR-1 TO PAR-2
SUPPLEMENTAL RESULTS OF SURVEY SS-1 TO SS-4
RIGHT OF WAY STAKING PLAN MS-1 TO MS-12
TOTAL 36
CITY OF MESA
TOWN OF QUEEN CREEK
S.R. 202L
S.R. 24
ELLIOT RD
WARNER RD
RAY RD
WILLIAMS FIELD RD
PECOS RD
POWER RD
HAWES RD
ELLSWORTH RD
MERIDIAN RD
IRONWOOD DR
T.1N.
T.1S.
T.2S.
R.6E.
R.7E.
R.8E.
Maricopa County
Pinal County
APPROVED IN ACCORDANCE WITH ARIZONA STATE TRANSPORTATION BOARD
RESOLUTION 2015-02-A-007 DATED 2/20/2015
RESOLUTION 2017-09-A-052 DATED 9/15/2017
RESOLUTION 2018-01-A-003 DATED 1/19/2018
RESOLUTION 2018-02-A-010 DATED 2/16/2018
RESOLUTION 2018-05-A-021 DATED 5/18/2018
RESOLUTION 2018-12-A-058 DATED 12/21/2018
RESOLUTION 2019-03-A-013 DATED 3/15/2019
RESOLUTION 2019-07-A-020 DATED 7/19/2019
RESOLUTION 2020-04-A-024 DATED 4/17/2020
P.O.T. 62+47.62
M.P. 1.0
M.P. 5.7
P.O.T. 310+00.00
024 MA 000 H6867 01R
024 MA 001 H8915
024-A(200)T
Michael Baker INTERNATIONAL


RIGHT OF WAY – STANDARD ABBREVIATIONS & SYMBOLS

L-C-177 ADOT Parcel 7-12088

OWNERSHIP				RECORD							ACQUIRED	
NOTES	PARCEL NUMBER	OWNER	DESCRIPTION OF AREA REQUIRED	TOTAL AREA	AREA REQUIRED (GROSS INCLUDING EXISTING R/W)	AREA REQUIRED (NET EXCLUDING EXISTING R/W)	NEW EASEMENTS	REMAINDER LEFT	REMAINDER RIGHT	SHEET NO.	TYPE	DOCUMENT
(1)	7-10886	WJS Farms, Inc.	S2 Sec. 36 T.1S. R.7E.	SEE NOTE 1						P-7, P-8	WD	20150242170
	7-12085	PM Industrial Holdings LP, et al	E2 Sec. 36 T.1S. R.7E.	4,029,565		978,278		1,244,949	1,806,338	P-8, P-9	FOC	20210106575
	~~7-12086~~	~~Jerome and Christina Stohy Family Trust, et al~~	~~S2 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-7, P-8	---	---
	~~7-12087~~	~~Allied Waste Transportation Inc~~	~~S2 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-7, P-8	---	---
	7-12088	[illegible] Revocable Trust	W2 & S2 Sec. 36 T.1S. R.7E.	[illegible]		[illegible]		[illegible]		[illegible]	WD	[illegible]
	~~7-12089~~	~~Aspire Properties, LLC~~	~~N2 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-7, P-8	---	---
	~~7-12090~~	~~Metric Group, LLC~~	~~NW4 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-7	---	---
	~~7-12091~~	~~Dasla Equities, LLC~~	~~NW4 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-7	---	---
	7-12092	Fujifilm Electronic Materials U.S.A., Inc.	W2 Sec. 36 T.1S. R.7E.	2,786,626		420,921		146,172	2,219,533	P-6, P-7	FOC	20220445427
(7)	7-12093	Femcor, Inc	SW4 Sec. 36 T.1S. R.7E.	(7) 217,593						P-7	FOC	20210806727
(6)	7-12095	Susan A. De Muro Trust	NW4 Sec. 36 T.1S. R.7E.	(6) 216,400	(3) 127,876	122,378		88,534		P-7	WD	20200164218
(2)	7-12096	Frye/Signal Butte Venture, LLC	SW4 Sec. 36 T.1S. R.7E.	(2) 217,446		166,255			51,191	P-7	SWD	20170631700
(2)	7-12098	Chrome Inc	SW4 Sec. 36 T.1S. R.7E.	(2) 435,215		232,774			202,441	P-6, P-7	FOC	20240242853
(6)	7-12099	Dasla Holdings, LLC	NW4 Sec. 36 T.1S. R.7E.	(6) 216,335		172,775		43,560		P-6, P-7	WD	20200309668
	7-12100	Signal Butte 24, LLC	NW4 Sec. 36 T.1S. R.7E.	7,884,962	(4) 41,928	11,558		7,843,034		P-6, P-7	OIP	20200256326
	~~7-12101~~	~~Terence R. Schmidt~~	~~NE4 Sec. 36 T.1S. R.7E.~~	DELETED 12-31-19						P-6	---	---
	~~7-12102~~	~~Dan Norvil Ferguson, et al~~	~~NE4 Sec. 35 T.1S. R.7E.~~	DELETED 12-31-19						P-6	---	---
	~~7-12103~~	~~Bill D. Cannon, et al~~	~~NE4 Sec. 35 T.1S. R.7E.~~	DELETED 12-31-19						P-6	---	---
	~~7-12104~~	~~William W. Armstrong, et al~~	~~NE4 Sec. 35 T.1S. R.7E.~~	DELETED 12-31-19						P-6	---	---
	7-12105	The Larry R. Hanson & Pamela J. Hanson Living Trust	NE4 Sec. 35 T.1S. R.7E.	875,762	(5) 398,190	386,290		477,572		P-6	FOC	20220162852
	7-12106	Bruce Naegell GST Exempt Decedent's Trust	SE4 Sec. 35 T.1S. R.7E.	1,759,283		479,937			1,279,346	P-6	WD	20150868687
	7-12107	Tucker Properties Ltd.	SE4 Sec. 35 T.1S. R.7E.	3,510,950		271,218			3,239,732	P-5, P-6	WD	20190632030
	7-12108	PPGN-Williams, LLLP	Tract 39 Sec. 34 T.1S. R.7E.	647,567						P-3, P-4	---	---
			NW4 Sec. 35 T.1S. R.7E.	150,674		4,938		145,736			WD	20200585424
	7-12109	Pacific Proving, LLC	Tracts 38 and 39 & W2 Sec. 27 T.1S. R.7E.	9,476,939	3,220,928	3,111,679	15,040 TCE		6,256,011	P-1 thru P-6		
			Tract 39 Sec. 34 T.1S. R.7E.	27,091,271		1,730,030			25,361,241		OIP	20190309832
			N2 & SW4 Sec. 35 T.1S. R.7E.	17,309,138		1,667,663		7,907,739	7,733,736		FOC	20210099259
	~~7-12110~~	~~Cadence Homeowners Association~~	~~Tracts A, B & C, Cadence Parkway~~	DELETED 12-31-19						P-1	---	---
	7-12117	PPGN-Elsworth, LLLP	NW4 Sec. 27 T.1S. R.7E.				455 TCE			P-1	---	---
(8)	7-12400	Maricopa County	NE4 & SE4 Sec. 35 T.1S. R.7E.				(8) 6,386			P-6	---	---

(1) ADVANCE ACQUISITION PER PROJECT 024 MA 000 H6867 01R

(2) TO BE ACQUIRED BY ADVANCE ACQUISITION AND AS A TOTAL ACQUISITION

(3) CONTAINS 5,498 SQ. FT. OF EXISTING R/W PER DKT 15412 PG 1564 (CITY OF MESA)

(4) CONTAINS 30,370 SQ. FT. OF EXISTING R/W PER DKT 15412 PG 1574 (CITY OF MESA)

(5) CONTAINS 11,900 SQ. FT. OF EXISTING R/W PER DOC 2004-0000036 (MARICOPA COUNTY)

(6) TO BE ACQUIRED AS A TOTAL ACQUISITION

(7) TO BE ACQUIRED AS A TOTAL ACQUISITION DUE TO ACCESS SEVERANCE

(8) PERMITTED AREA

ALL AREAS ARE IN SQUARE FEET UNLESS OTHERWISE NOTED

CHANGE ORDER REVISIONS			
C.O. NO.	DATE	BY	DESCRIPTION OF REVISIONS
N/A	2-8-23	SF	ADDED ACQ. INFO. FOR PARCELS 7-12085, 7-12092, 7-12093, 7-12105 & 7-12109
PM-24-172	6-18-2024	DC	Updated Acquisition Rec. of Par. 7-12098

DRAWING NO.	D-07-T-1079
SURVEY	SEE NOTE ON P-1
DRAWN/DATE	JJ./FEB. 2018
ADOT REVIEW	A. RICHMOND

Michael Baker INTERNATIONAL

ARIZONA DEPARTMENT OF TRANSPORTATION

GATEWAY FREEWAY

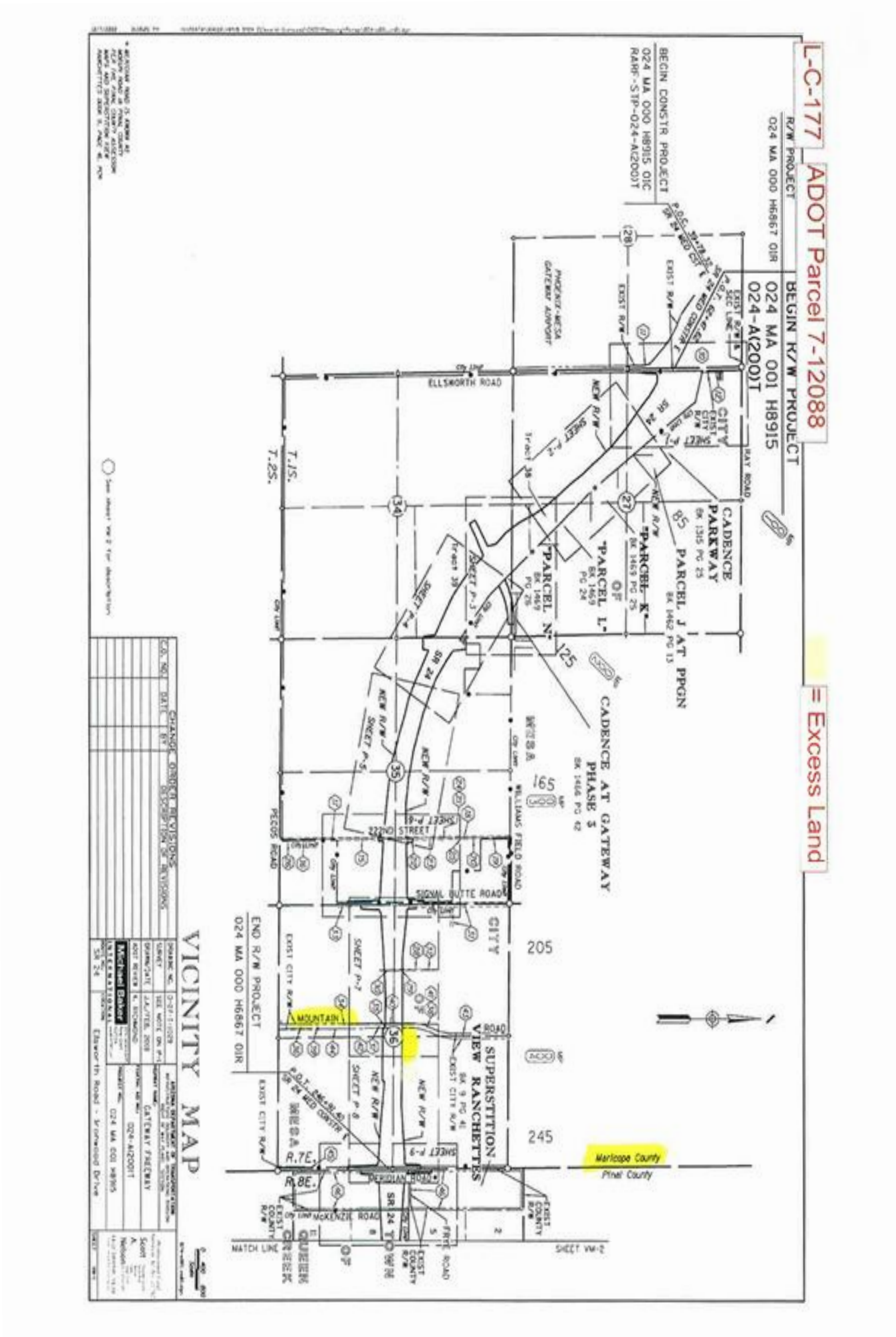
024-A(200)T

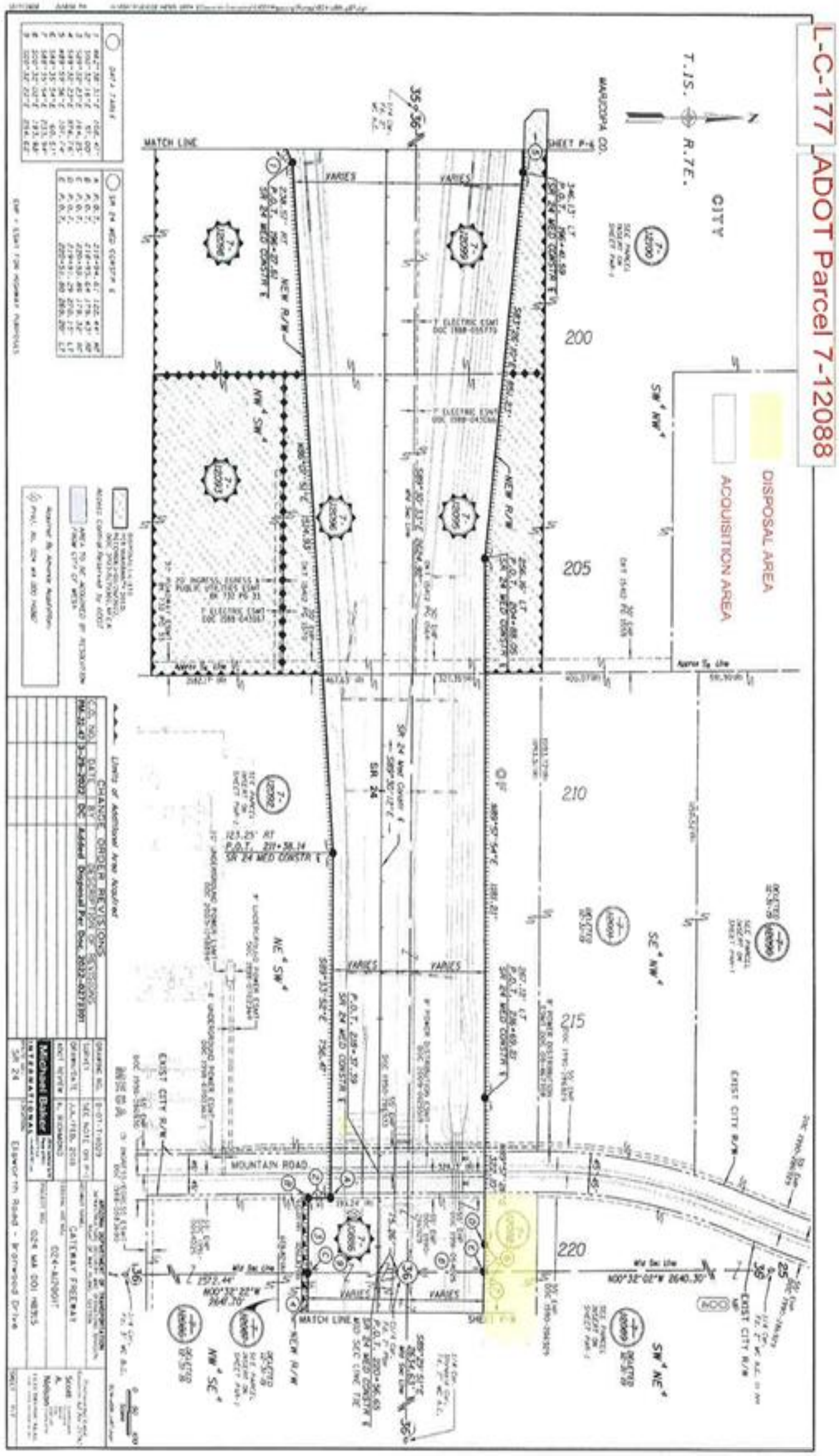
024 MA 001 H8915

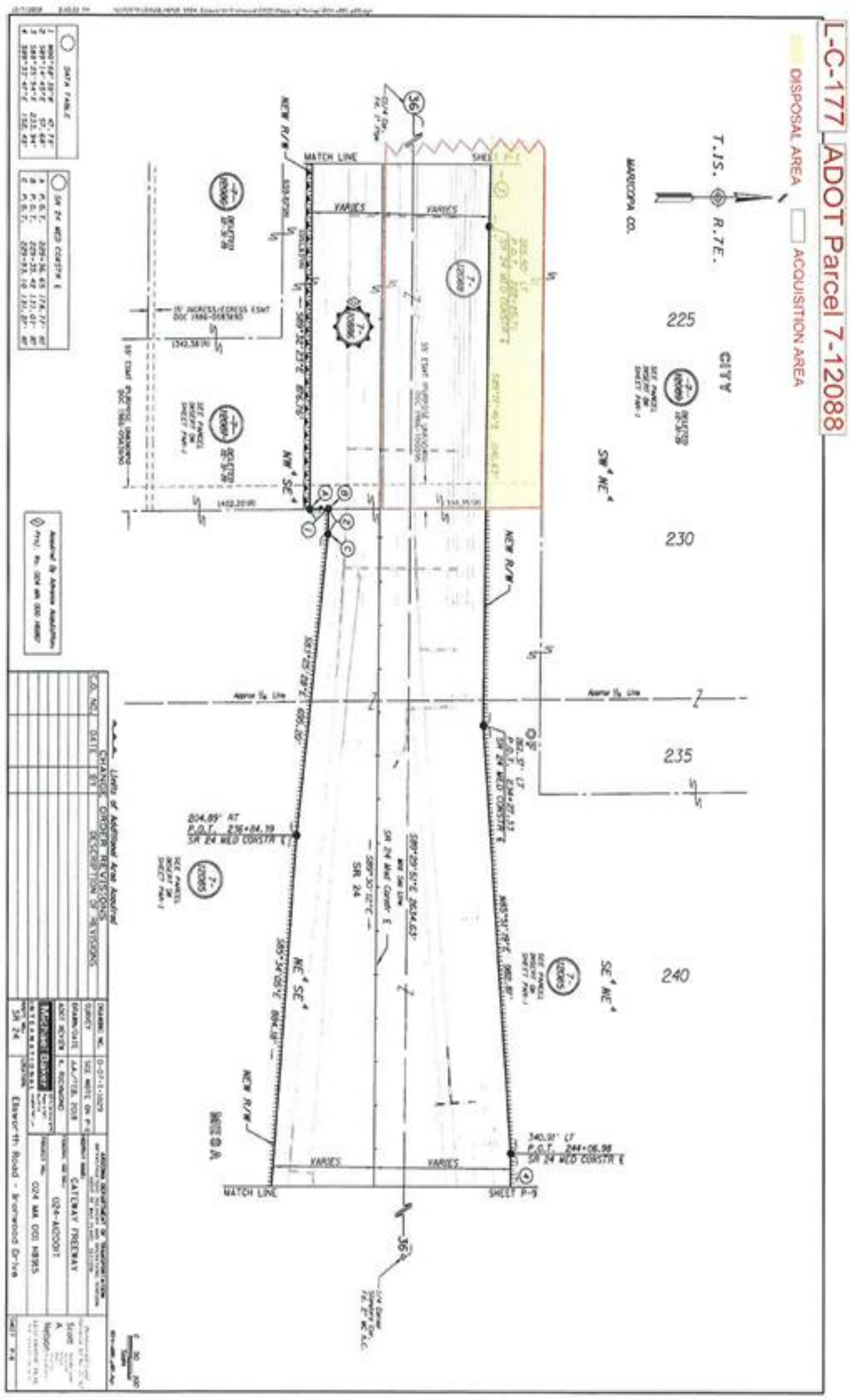
SR 24

Ellsworth Road - Ironwood Drive

Scott A. Nelson


L-C-177
ADOT Parcel 7-12088
= Excess Land
BEGIN R/W PROJECT
024 MA 001 H8915
024-A(200)T
R/W PROJECT
024 MA 000 H6867 01R
BEGIN CONSTR PROJECT
024 MA 000 H8915 01C
RARF-STP-024-A(200)T
ELLSWORTH ROAD
RAY ROAD
CADENCE PARKWAY
PARCEL J AT PPGN
"PARCEL K"
"PARCEL L"
"PARCEL N"
CADENCE AT GATEWAY PHASE 3
WILLIAMS FIELD ROAD
PECOS ROAD
222ND STREET
SIGNAL BUTTE ROAD
MOUNTAIN ROAD
SUPERSTITION VIEW RANCHETTES
MERIDIAN ROAD
McKENZIE ROAD
FRYE ROAD
Maricopa County
Pinal County
END R/W PROJECT
024 MA 000 H6867 01R
VICINITY MAP
T.1S.
T.2S.
R.7E.
R.8E.
MESA
CITY
SR 24
SR 24 TO US 60
QUEEN CREEK
MATCH LINE
SHEET VM-2
85
125
165
205
245
Michael Baker
GATEWAY FREEWAY
Ellsworth Road - Ironwood Drive


L-C-177 ADOT Parcel 7-12088
DISPOSAL AREA
ACQUISITION AREA


L-C-177
ADOT Parcel 7-12088
DISPOSAL AREA
ACQUISITION AREA

RIGHT OF WAY LINE DESCRIPTION:

Commencing at a 2 inch MC aluminum cap marking the West quarter corner of said Section 36, being South 00°44'34" East 2636.87 feet from a 3 inch COM brass cap in handhole marking the Northwest corner of said Section 36;

thence along the West line of said Section 36, North 00°44'34" West 881.21 feet to the POINT OF BEGINNING;

thence North 89°15'26" East 68.98 feet;

thence South 02°10'29" East 588.17 feet;

thence South 46°05'16" East 36.02 feet;

thence North 89°59'56" East 107.74 feet;

thence South 83°26'10" East 851.23 feet;

thence North 89°57'54" East 1181.21 feet;

thence North 89°57'26" East 322.10 feet;

thence South 88°35'54" East 60.51 feet to the North – South mid section line of said Section 36, being North 00°32'02" West 193.98 feet from a 1 inch pipe marking the Center quarter corner of said Section 36;

thence continuing South 88°35'54" East 233.94 feet;

thence South 89°17'46" East 1141.63 feet;

thence North 85°51'19" East 982.87 feet;

thence South 89°33'47" East 152.49 feet;

thence North 45°37'08" East 35.47 feet;

(continued)

EXHIBIT "A"

PAGE 2

PROJECT: 024 MA 001 H8915	**LOCATION:** Ellsworth Road – Ironwood Road	**PARCEL:** L-C-177
024-A(200)T	disposal: portions of 7-12088	cg 02-26-2025

EXHIBIT "A"

That portion of the Grantors' land which is described in the following **PROPERTY DESCRIPTION** located in the North half (N½) of Section 36, Township 1 South, Range 7 East, Gila and Salt River Meridian, Maricopa County, Arizona, which lies northerly of the following described **RIGHT OF WAY LINE:**

PROPERTY DESCRIPTION:

(ADOT Parcel No. 7-12088, Warranty Deed, Doc. No. 2018-0391873, Maricopa County Recorder Office)

That part of Section 36, Township 1 South, Range 7 East, Gila and Salt River Meridian, Maricopa County, Arizona, being more particularly described as follows:

Commencing at the Southeast corner of said Section 36, being marked by a U.S. General Land Office brass cap;

thence North 89 degrees 27 minutes 16 seconds West (basis of bearings) along the Southerly line of said Section 36, a distance of 1757.57 feet to a point from which the South quarter corner of Section 36, being marked by a Maricopa County brass cap in concrete, bears North 89 degrees 27 minutes 16 seconds West, 881.41 feet distant therefrom;

thence North 0 degrees 29 minutes 01 seconds West, 2576.48 feet to the TRUE POINT OF BEGINNING;

thence North 89 degrees 23 minutes 20 seconds West, 1096.39 feet (record) 1094.09 feet (measured) to a point on the centerline of Mountain Road;

thence North 0 degrees 23 minutes 13 seconds West, along the said centerline of Mountain Road, a distance of 398.34 feet;

thence South 89 degrees 23 minutes 20 seconds East, 1095.72 feet (record), 1093.68 feet (measured);

thence South 0 degrees 29 minutes 01 seconds East, 398.35 feet to the TRUE POINT OF BEGINNING.

EXCEPT any portion thereof lying within property described in Quit-Claim Deed to the City of Mesa, recorded in Document No. 90-273644, records of Maricopa County, Arizona.

(continued)

EXHIBIT "A"

PAGE 1

thence North 00°48'02" East 251.17 feet;

thence North 08°23'43" East 90.80 feet;

thence North 89°22'07" East 79.05 feet to the POINT OF ENDING on the East line of said Section 36, being North 00°37'53" West 633.88 feet from a 2 inch MC aluminum cap marking the East quarter corner of said Section 36.

The above described property shall have no rights or easements of access to or from State Route 24 (GATEWAY FREEWAY).

The Access Control provisions set forth above shall be a covenant running with the land and shall be binding upon, and shall inure to the benefit of the State of Arizona, the landowners and their respective successors and assigns with respect to the property. The Access Control provisions shall also remain enforceable by the State of Arizona even if all or part of any roadway is abandoned to a local jurisdiction.

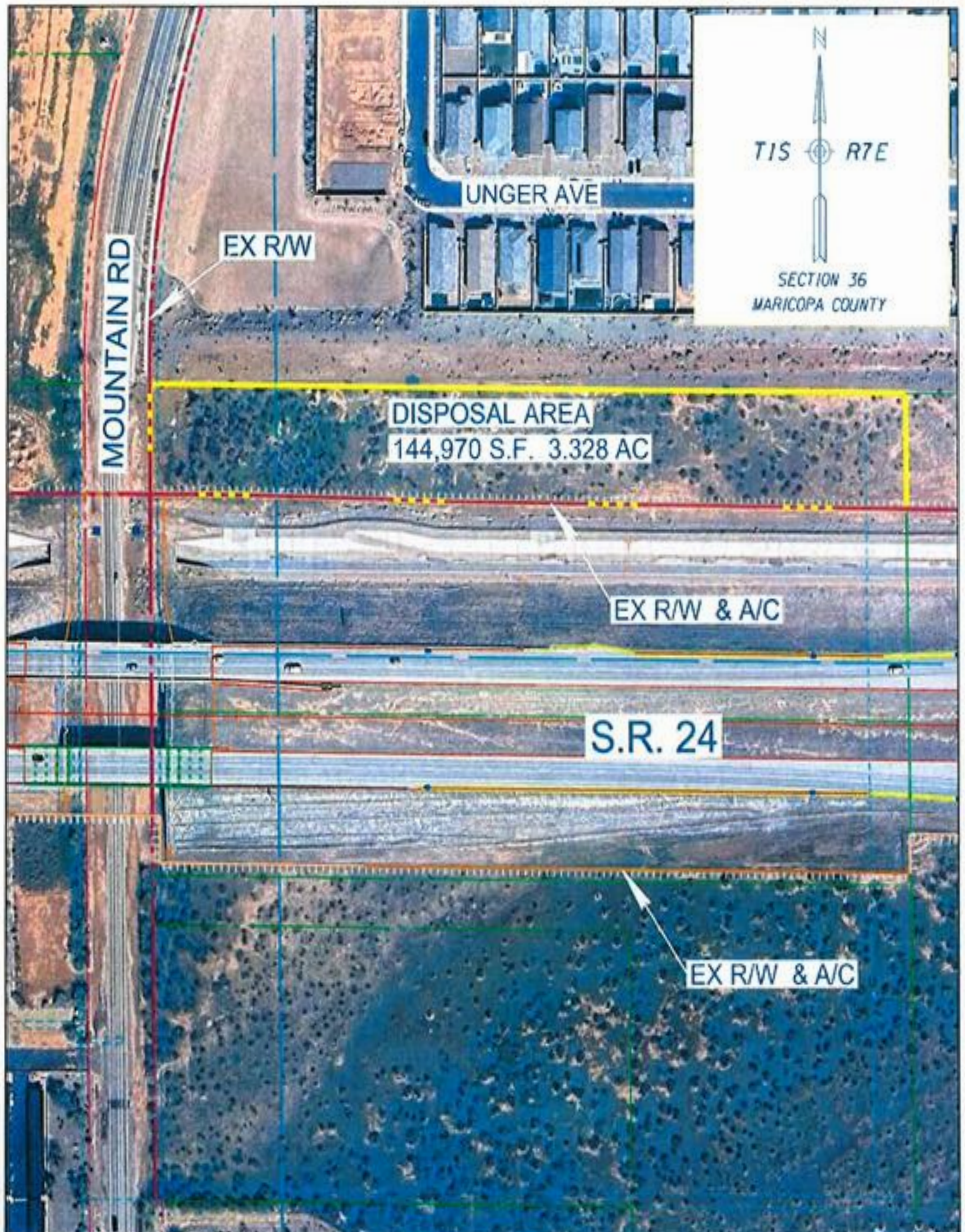
SUBJECT TO that Easement for Highway Purposes that is recorded in Document No. 1991-054025, records of Maricopa County, Arizona, that affects the westerly side of the property described above.

EXHIBIT "A"

PAGE 3

PROJECT: 024 MA 001 H8915	**LOCATION:** Ellsworth Road – Ironwood Road	**PARCEL:** L-C-177
024-A(200)T	disposal: portions of 7-12098	cg 02-26-2025

ADOT EXHIBIT SHEET



PLEASE NOTE: This exhibit is intended for Appraisal purposes only. Refer to Final Right-of-Way Plans for additional information.

Remainder of PARCEL # 7-12088	ADOT Right Of Way THIS SKETCH PLAN IS FOR ADOT INTERNAL USE ONLY	PARCEL #	L-C-177	HIGHWAY NAME: GATEWAY FREEWAY	
		DRAWN	JV	PROJECT NO. 024 MA 001 H8915	
		DATE	08/29/24		
	ROUTE NO.: SR24	LOCATION: Ellsworth Road - Ironwood Drive		FEDERAL AID NO.: 024-A(200)T	SHEET NO. 1 OF 1

ARIZONA

PURCHASE ORDER

PHOENIX, on 12/17/2025
CTR054974/ JW-26-010/ H891501R/ L-C-177/ Appraisal due in 45 days-SOUTHWEST APPRAISAL ASSOCIATES INC

SUPPLIER

SOUTHWEST APPRAISAL ASSOCIATES INC
Attn: STEVEN COLE
Address: Legal Address
PO BOX 16156
UNITED STATES
TUCSON, Arizona 85732-6156
Phone: 5203270000
E-mail: STEVE@SWAA.BIZ

ORDER No. PO0000834442

(please refer to this number on all documents)

Amendment:
Requestor: ESTHER VALENCIA
Agency: Department of Transportation
Division: Infrastructure Delivery & Operations Division Construction
Department: Right Of Way
Site: RIGHT OF WAY
Phone: 6027128793
Email: EVALENCIA@AZDOT.GOV

DELIVER TO

(unless specified differently per item)

Address: RIGHT OF WAY
205 S 17th Ave
UNITED STATES
Phoenix, Arizona 85007
Deliver To:
Requested Delivery Date:
(Unless specified differently per item in section delivery details)

BILL TO

Address: RIGHT OF WAY
205 S 17TH AVE
MD 612E RM 331
UNITED STATES
PHOENIX, Arizona 85007-3212
Payment Terms: Net 30

ITEM	CONTRACT ID	CODE/SKU	REFERENCE AND DESCRIPTION	QTY	UNIT	UNIT PRICE (USD)	TOTAL (USD)
1	CTR054974-4	980290-1	CTR054974/ JW-26-010/ H891501R/ L-C-177/ Appraisal due in 45 days Commentaire : L-C-177	1.0000	Total Cost	[redacted]	[redacted]

Total before Tax	[redacted]
Non-Taxable - 0 %	[redacted]
Total after Tax	[redacted]